Featuring Steel and Construction

THE FINANCIAL POST

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BANKING SURPLUS MAKES INDUSTRIAL REVIVAL POSSIBLE

Surplus of Loanable Funds Not Necessarily Sign of Stagnation

OVERHEAD IS LOWER

Railway Orders Placed This Week Show Railways Are Beginning Replacement Program

With more money in the banks and generally available for investment than there is immediate demand for in business or industry, certain as yet isolated factors point to the beginning of the industrial movement which has long been anticipated. Railway orders received this week by the National Steel Car Corporation suggest the beginning of the replacement in railway equipment which has been postponed for three years. A rise of nearly seventy per cent. in the volume of Western building in January, a large proportion of which was industrial building, shows roughly where the movement has its chief initial impetus. Merchandise loadings of freight this year so far are materially in advance of that at the same time last year, both in Eastern and Western Canada.

That current loans of the bank at the end of November were $52,000,000 lower than at this time last year does not mean, necessarily, that business is that much less active. In addition to a retirement of previously frozen credits, there has been a gradual change in the method of merchandising, and in the volume of stocks held both on the part of producers and distributors. Owing to the changed credit situation, buying has been generally changed to a hand-to-mouth basis and the producer has less to go on with regard to required output. He gradually decreases the volume of goods carried in advance of demand. This means a reduction in his overhead costs. His loans from the banks are smaller and he had lower insurance and depreciation charges. Another factor working in the same direction is the speeding up of deliveries. With the assistance of the motor truck, goods are shipped to any part of the city in which they are manufactured, as well as to other cities, with much greater dispatch than formerly, and the overhead charges are cut accordingly. In both these ways, the producer as well as the merchandiser have cut down their financial requirements from the banks. This does not indicate less business—possibly more, but it is a situation to which the banks are finding it necessary to adjust themselves.

Capital Not Greatest Need

It would thus appear 'that capital is not now our greatest requirement at present. For years Canada's slogan was 'more men and more money.' Now there is a surplus of funds beyond demand. The banks are obliged to buy large quantities of bonds to invest their funds. A recent industrial bond issue, the Kelvinator issue, which called for $800,000, was oversubscribed five times. Certain foreign issues have received a very warm welcome in the Canadian market. Canada is beginning to export capital.

While all this is interpreted by some as an indication of depressed conditions, there are those in high places in the business world who take the reverse attitude—who welcome the situation as one which paves the way for the business expansion which seems already to have commenced, and which would be impossible were it not for this accumulation of funds available for industry and investment. If this adjustment in industry to lower stocks and consequently reduced overhead, proves permanent, it means that there will be less need for capital from abroad.

The apparent conclusion is that there is plenty of money to finance a big business and industrial expansion, and that expansion has commenced, at least on a small scale. The railway equipment order mentioned above which is for 53 passenger coaches and 315 refrigerators cars for the Canadian Pacific Railway is said to be the largest order ever placed at one time with any one company. The same steel company is stated to have received a sizable order from the Temiskaming and Northern Ontario Railway. Other leading steel firms have stated to The Financial Post that they have reason to expect much better business in 1926. These factors along with the increase in industrial building, in car loadings, and in industrial employment are among the most favorable factors evident in the business situation this year so far.

Steel of Canada Will Erect Sintering Plant

Steel Company of Canada has a tremendous tonnage of flue dust that has been accumulating over a period of years at the blast furnaces of its plant in Hamilton. Recently it was decided to put in a sintering plant to treat this by-product to the end that it may be used in the furnace and turned into pig. Just what tonnage is available is not known, but it must be a large one to justify the expenditure on a sintering plant.

Paterson Company Control is Changed

An important transfer of interests is taking place in connection with the Wm. Paterson Co. of Brantford, Ont. The control in this firm, which has been engaged in the manufacture of biscuits and confectionery for many years is passing from the Paterson family to two young men formerly with Christie-Brown & Co., Toronto, Charles E. Harvey, son of Reuben Harvey, formerly of Christie-Brown Co., and Starr Edmonds, son of Charles E. Edmonds, of the same company. Mr. Harvey was some 23 years with Christie-Brown & Co., and Starr Edmonds, 16 or 17 years.

The biscuit company in Brantford was established in 1863 by H. B. Leeming and Wm. Paterson. Later Mr. Leeming dropped out and it was controlled by the late Wm. Paterson for many years. It will be remembered that Mr. Paterson was Minister of Customs at one time.

OFFER FOR CANADA LANDED NOT PUT BEFORE MEETING

Huron & Erie Expected to Continue Negotiations

Despite the statement at the annual meeting of the Canada Landed and National Investment Company this week by retiring President Harcourt—who was later in the proceedings succeeded in that office by G. Tower Fergusson —that no definite or written offer had been received for the assets of the company, The Financial Post is assured that an offer regarded as definite by those making it had been made. This offer was on behalf of the Huron and Erie Mortgage Corporation at a price considerably above 100 for the shares of a par value of $50.

Further, The Financial Post understands that it was planned by those in sympathy with the offer made to bring the matter up during the proceedings by way of resolution and that this plan miscarried only because of peculiar and unforeseen developments. That the offer was not put formally before the meeting in writing is explained in the fact that it has been generally reported that the Huron and Erie was bidding for the company and with other companies in the field, a formal offer would have put the bidder at a disadvantage.

The question as to whether an offer had been made for the company was brought before the meeting by a shareholder who asked if it was true that there had been a bid of 110. President Harcourt said there had been no such definite proposition. He mentioned an old offer made for the company at 70. Those among the shareholders who favor continuation of the company in its present status were evidently responsible for a proposal that the meeting go on record as being against a sale. However, this did not go to a vote, it being pointed out that the directors should be in a position to consider an offer which might be in the interest of the shareholders.

Under the circumstances it may be assumed that the negotiations looking to the acquisition of this strong and valuable institution will be continued, and interest centres in what the change in the presidency may indicate in regard to the policy of the board.

The company is in a very strong financial position and is regarded as a most valuable property. The market value being placed on the stock is an evidence of this. Like other mortgage companies without public deposits, however, its experience in recent years has been marked by rising rates for money borrowed and unsatisfactory conditions in regard to money loaned.

Anglin-Norcross Co. is Rebuilding the Frontenac

The Anglin-Norcross Company is at present engaged in the reconstruction of the Chateau Frontenac in Quebec and is erecting several other buildings, notably the Chateau St. Louis in the city of Quebec, the new Arts Building of McGill University, the Trinity Memorial Church in Montreal and the new plant of the Singer Sewing Machine Company at Thurso.

Barnjum Aids King's Opponent in the West

From Our Own Correspondent.

MONTREAL.—The leading protagonist of the pulpwood embargo and the champion of forest conservation, Frank J. D. Barnjum, has forwarded $500 to D. L. Burgess, the Independent candidate in Prince Albert, Sask., who is opposing Right Honorable Mackenzie King in that riding. The money is to be used in the campaign funds of the Independent candidate. Mr. Barnjum was recently elected to represent Queen's County in the Nova Scotia legislature.

SEAT SELLS AT $28,000

MONTREAL.—A seat on the stock exchange here changed hands at $28,000 this week. This is an advance of $5,000 over the price paid several months ago for the last seat sold. The highest price for a seat on the Montreal Stock Exchange was $35,000, whilst the lowest price in recent years was $13,000 in 1915.

Government Plans Farm Loans on Security; Refused to Private Lenders

It is illuminating to note the statement of the Toronto Globe in connection with the proposed farm loans program of the federal government that: "The federal act would provide that loans made under the new system must rank second only to taxes as a charge against property."

This can only mean that the government proposes that where it makes loans it will take a prior claim on the property. In making such loans it proposes to charge 7 per cent. interest and to spend a sum, mentioned as high as $5,000,000, in putting the system to work.

What the government proposes is to take security for itself which is not available to private lenders or to the mortgage companies. In Western Canada at the present time there are as many as fourteen prior claims which may come ahead of the so-called first mortgage and for which the mortgagee must actually assume responsibility.

The Financial Post believes that if the government will secure for the established mortgage companies, which have loaned millions in the upbuilding of the country, the security for their loans which it proposes to take for itself the companies will be ready and willing to loan their funds at the 7 per cent. which the government proposes to charge. They will do so too, without loading the country with millions of expense to inaugurate a new system for this they have already established.

The loan companies, the trust companies and the insurance companies have many millions of dollars ready for loaning in the West at moderate rates just as soon as there is reasonable security provided. And they should be in a position to take care of this situation, at the same rates the government proposes.

The government proposal seemingly involves not only the cost of inaugurating the scheme to be paid for by the taxpayers but the losses which experience shows inevitably accrue where people borrow from the government, first because they can get advances on doubtful security through political influence and, second, because many people consider anything secured from the government as a gift rather than a loan.

Tariff Board in States is Prompt and Effective

Investigations Conducted on Application of Any Person, Partnership, Corporation or Association—Example for Canadian Board

With tariff problems so prominent an issue in Canada to-day, and with the promise of a Federal Commission soon to be appointed, the procedure of the United States Tariff Commission is a matter of vital interest to Canadians. How its administrative problems are handled is dealt with by J. Courtland Elliott, a student of trade and tariff problems here and abroad, whose first article of a series on these problems appeared in the issue of last week. Mr. Elliott pointed out last week that recognition by Congress of the obstructions imposed by unsettled political and unforeseen economic conditions on both tariff stability and adequacy resulted in a distinct departure in tariff making by the insertion of three flexible provisions in the Tariff Act of 1922.

WASHINGTON.—At the office of the Tariff Commission here it was pointed out that some of the disturbing factors of 1921, such as the currency depreciation abroad, were now largely absent. The commission has hundreds of applications for investigation before it, however, and this fact alone indicates the constant need to consider tariff schedules and rates for the purpose of assuring adequate protection to industry and prevention of extortion from the consumer.

It was particularly emphasized that the flexibile provisions do not give instant or overnight control over the tariff. A complaint on Monday, an investigation on Tuesday and a proclamation on Wednesday are impossible. Due consideration must not only be given to the needs of industry but also to the revenue requirements, American welfare and international relations.

Either upon its own initiative or upon application by any person, partnership, corporation or association the commission can conduct an investigation into a trade circumstance seeming to involve an upward or downward alteration in the tariff act. Since the flexible tariff provisions are designed to be applied in the public interest, applications for increases or decreases, and changes in classification or assessment must be carefully scrutinized. An investigation does not follow as a matter of course or as a right of private interests.

The application is first submitted to the chief economist and chief investigator and then to the head of the commodity division affected. In studying the question involved the commodity expert not only surveys all avaliable material but he may order a field investigation into foreign and domestic production importations, prices and other relevant matter.

His preliminary report is laid before an advisory board, comprising usually the chief economist, the chief investigator, the commodity chief and several economists. Recommendations

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How Prosperous is Canada?

HOW prosperous is Canada?

Apart from those who declare that the country is gloriously prosperous and those others who say that it is going to the bow-wows, the great body of business men and taxpayers throughout the country are convinced that the improvement in the buying power of the people of Canada as indicated in retail trade has not been fully reflected in better conditions industrially. In short, **Canadian industry is not benefiting from the improved buying power of the people to the extent that Canadian business has the right to expect.** Four explanations are suggested:

Increased flood of foreign goods.
Large exports of unmanufactured materials.
Heavy taxation of such profits as are made.
Political uncertainty undermining all business.

The recent startling revelations as to wholesale smuggling of foreign goods into Canada offer one direct and easily understood explanation of why Canadian manufacturers are not sharing in the return of prosperity. Millions in merchandise which has paid no duty have been flooding the country. Not only Canadian manufacturers but honest Canadian importers and merchants have been suffering from this situation. But apart from this unknown but great volume of smuggled merchandise there have been increases in the imports of manufactured goods which have been declared in the usual way. Imports of such goods in 1925 are shown at over $520,000,000. Following are some of the larger items:

Cotton Goods	$34,000,000
Printed Matter	12,000,000
Vehicles	36,400,000
Worsteds	12,500,000
Engines	11,600,000
Machinery	30,200,000
Farm Implements	11,200,000
Paper	9,100,000
Manufactures of Wood	8,500,000
Lumber	7,500,000
Wearing Apparel	6,350,000
Glass	7,150,000
Clay Products	7,500,000
Coke	5,500,000
Paints	3,800,000
Leather Goods	3,400,000
Woollen Yarns	3,800,000
Tweeds	3,000,000
Hardware	3,400,000

On the other hand exports of unmanufactured raw materials are continuing freely and in increasing volume. The total for 1925 was about $625,000,000, including such important items as:

Manufactures of Wood	$116,000,000
Undressed Furs	17,250,000
Hides	7,700,000
Leather	7,600,000
Nickel	12,600,000
Copper	14,700,000
Aluminum Bars	6,500,000

In view of these figures the question is asked whether the government might not well consider policies looking to the restriction of imports of manufactured goods and the curtailment of exports of raw materials. This particularly in view of the fact that the modern trend of manufacturing favors mass production and the industries of countries with large populations have an increasing advantage over those of countries like Canada. In a national way, however, this disadvantage might be offset by controlling the exportation of those raw materials on which manufacturers of other countries are dependent.

Canadian industry, too, is undoubtedly at a serious disadvantage, particularly in competition with that of the United States, because of the heavy burden of taxation being carried. And there is no indication of a real appreciation of this situation at Ottawa. Not only is there uncertainty in regard to taxation, which makes it very difficult for the manufacturer to lay his plans for the future, but the present levies,—in which no real reduction is promised—are such as to discourage new enterprise. The Financial Post has from time to time submitted evidence to support this contention. There is little to attract new capital to come to Canada and Canadians who should be putting their money to work in the development of the country's resources find that there are much more attractive fields for investment in other countries. If they go into new ventures in Canada they find that they are faced with the situation that their losses must be borne fully by themselves whereas if there are profits the lion's share goes to the government.

But perhaps more discouraging to industrial development than these definite handicaps is the general uncertainty which prevails because of the political situation at Ottawa. Business cannot go ahead under such conditions. Plans for new projects are suspended in the meantime. There is stagnation where there should be progress and activity.

It is because of these things that Canadian business is demanding another election at the earliest possible moment. And this demand is being made with but one object—to give the people of Canada an opportunity to elect a government which will have sufficient majority to get on with the country's business without constant haggling and bickering with bargain-hunting political factions which are in a position to impose their radical views and demands under the present state of exasperating political stalemate.

Intellectuals Spread Dangerous Propaganda

United States to Put Government on Business Basis

WASHINGTON.—The latest move in the United States for putting national affairs on a sound business basis is covered by a resolution introduced in Congress giving the president blanket power for two years to re-organize the business structure of all governmental departments. The business interests of the United States, through the business press directly and in other ways, have expressed their approval of this action.

SCHOOL DISTRICTS OF MUNICIPALITIES ALSO IN DEFAULT

Representatives of Issuers and Holders of Bonds Investigating

Special Correspondence.

WINNIPEG.—As the result of conferences between representatives of the Provincial Government, the Suburban Municipal Board, the Investment Bankers' Association of Canada and the Dominion Mortgage and Investments Association—and the provincial branch of that body—acting for the defaulting municipalities suburban to Winnipeg on the one hand and the holders of their bonds on the other, further information is now being gathered on the situation by all the parties. This is looking to the working out of some arrangement to take care of the situation which has been created because of default of interest.

The municipalities on whose bonds default has been made are St. Vital, St. James, Transcona and West Kildonan. Their affairs have come under the Suburban Municipal Board appointed by the Provincial Government. It has developed that on behalf of the municipalities the board has been considering some compromise proposal to the bondholders both as to interest rate and principal. The attitude of the bondholders, as indicated by their representatives, is that in view of the improvement which has taken place in the whole economic situation in Western Canada, there is no reason why the municipalities should not be able to pay. However, the bondholders would no doubt be willing to consider some reduction in interest rate if they could by this step have the debts guaranteed by the province.

In addition to the municipal issues referred to there are school district bonds involved in which investors are interested. In the case of a number of these, defaults have been made. These districts do not come under the

(Continued on page 9)

Topsy-Turvy Economics in New Propaganda "Sheet"

TRAMWAYS ATTACKED

Montreal Transportation Co. Comes in for Barbs From the Editor of "Truth"

From Our Own Correspondent.

MONTREAL.—Through the medium of a periodical, bearing the name "Truth," and sold here, a group of well-known intellectuals are apparently lending their names to a most pernicious form of propaganda against organized business concerns.

On the front page of the periodical is listed the members of the honorary editorial board. These include:

Ven. Archdeacon Frederick George Scott, Quebec; Colonel J. L. Ralston, Halifax, N. S.; Dr. W. D. Lighthall, Montreal; John A. Stevenson, B.A., Ottawa; Dean Sinclair Laird, Macdonald College; Very Rev. Arthur Carlise, Dean of Montreal; the Hon. Frank Carrel, Quebec.

Just below the motto of the paper, "Adhere veritati," appears the following interesting viewpoint of the Montreal Tramways:

STOCK MANIPULATION—NOT SERVICE

Congratulations to the Montreal Tramways Company!

Everyone agrees that their buses running along Sherbrooke St. are a great success. It is true that they are often overcrowded. It is true that there is no sensible excuse for the discrepancy between the fares on tram-car and bus. It is true that there is not a sufficient number of them. It is true that they are badly ventilated. But they have come to stay and if the Tram Company finds it to be a hardship to operate such service, there are others who would not find it so hard.

The wonder is that these buses have not been operating during the past ten years. The public wanted them. The need was apparent, but the directors of the Tram-Company were blind to even their own interests.

If those in control of Canadian corporations could only spare a small part of the time spent on stock manipulations to the earnest endeavor to prosper through honest effort, our country would soon be worth while.

The clever writer of this editorial did not directly charge the directors of Montreal Tramways with stock manipulations, but the manner in which the phrase is used is, to say the least, incriminatory. One need not hold a brief for these directors to state that.

The linking up of stock manipula-

(Continued on page 27)

Auditor General's Report Not Ready for the House

Special Correspondence.

OTTAWA.—This week The Financial Post applied for printed copies of the Auditor General's report for the fiscal year ended March 31 last. It was told that only the first volume (one out of four) had so far been printed. How is the House of Commons or the country at large to keep track of expenditures, to inquire into the use of the revenue, even to criticize extravagence, or better still to make suggestions, with this information delayed? What is the sense, ask members of the Commons, of having an audit if the results of that audit are made public so late in the session that members have not time nor energy to make a proper scrutiny of what has been done with the country's money. Taxation reduction cannot be brought about in this way.

Recently, in the house, Hon. J. A. Robb, Minister of Finance, pointed out that Parliament had met earlier than usual, which was the reason for the delay.

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The Trend of Business and Industry

Conducted by H. M. CAMERON, Statistical Editor, The Financial Post.

BUSINESS WARNED TO KEEP WITHIN CASH RESOURCES

Credit Expansion in Merchandising in Danger of Sapping Buying Power

As business and industry continue to forge ahead on an unprecedented scale in the United States, and Canadian prospects appear brighter than at any time since 1920, leaders of finance and trade have begun to issue warnings against over-extension of credits. Careful observers fear the outbreak of this new form of inflation. Canadian business is probably far from the danger point as yet, but the trend of business affairs south of the border is usually duplicated here. The warning of these leaders that business should "stay inside its cash resources" may not be untimely even to Canadian business.

The tendency of credit to replace cash in merchandising is now an old story. During the past four years a multitude of quasi-banking institutions have taken form for the purpose of "manufacturing" credit in the purchase of all manner of commodities by the ultimate consumer. There are literally hundreds of these institutions in the United States. They provide facilities by which goods may be purchased on time on the security of the purchaser's promissory note. Originally the plan applied only to pianos, victrolas, automobiles and so on. It soon spread to include every other commodity, virtually, that is purchasable. To-day the citizens of the United States and Canada are buying all manner of products on time, and the feeling of the business leaders referred to is that the buying power of the country is being endangered by this mortgaging of the future to the extent that the consumer is living far beyond his means. During the last period of inflation in the United States the banks were charged with having allowed credit to expand unduly, from the production standpoint. To-day the danger seems to be an undue extension of credits in the merchandising process.

In Canada the practices adopted by firms engaged in the extension of credit are still on a reasonably sound basis, and attention to the warnings from business leaders may assure their remaining so. The manufacturing of credit for merchandising purposes is economically sound and should remain so if kept within reasonable limits. The Canadian situation at present is a peculiar one. There is a larger surplus of funds in the savings banks than ever before. Bank debts have risen very materially. There is an evident attempt on the part of municipal bodies to economize. The volume of borrowing is much smaller than it was a year ago. Canadian municipalities are accused of having over-borrowed during the period of good business, and they thus mortgaged their income for some years to come. There are responsible business men who believe that the lesson had been utterly lost from a standpoint of individual expenditure, and that the individual consumers of the country are falling into the same error of over-borrowing on the basis of future income or earning power. Whether or not this is the case will probably be determined only by time and experience. No one will dispute the contention that over-borrowing, whether it be based on public bonds or on instalment paper, leads to business stagnation, if not to dangerous inflation. The present situation in this respect in the United States merits the careful observation of Canadian business.

Fifty-Three Per Cent. Added to Saskatchewan's Buying Power

Exceeding her record of last year in value of field crops by more than 53 per cent., Saskatchewan has stepped up to first place among the provinces. All previous records are broken—even the high mark of 1919 when prices were phenomenal. The amount of money which is pouring into the province from last year's crop exceeds last year's aggregate by $126,527,000 being $363,837,000. It is probable that no similar advance has ever been made in the same space of time, taking volume and value into account.

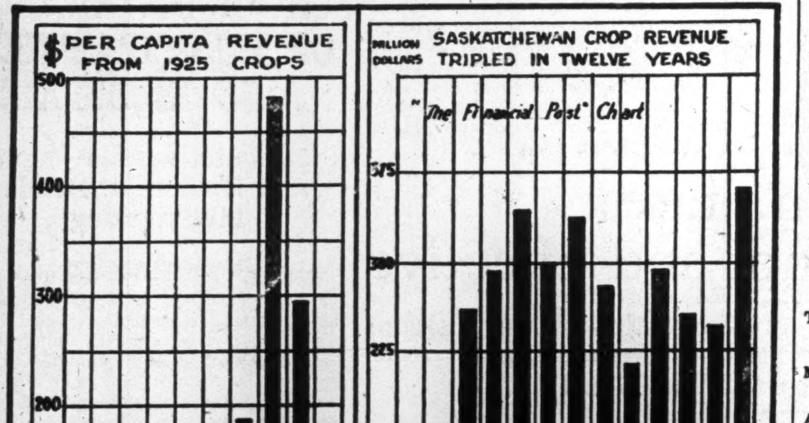
This remarkable expansion in the volume of purchasing power places Saskatchewan in a unique position. Not only does it put the province first from the standpoint of crop yields, but the gain which Saskatchewan made last year over 1924 was greater than the gain of the entire country, some losses having taken place in other provinces. It is not easy to realize the importance of this huge addition to the revenue of one single province, and one with a population of only 757,510 according to the 1921 census. Taking the present population to be 800,000, last year's crop has distributed $454 to every man, woman and child in the province, or about $2,000 to every family. While the field crops constitute the major portion of the province's revenue, there are numerous smaller sources of income to the farmer. Premier Dunninng said recently: "A permanent policy of diversified agriculture is replacing the old straight grain-growing gamble with the weather and the markets." Taking all these other sources of revenue into account, The Financial Post Survey, 1926, has estimated that the total revenue of the province would be $427,486,000 for 1926. The estimate is remarkably accurate in the crop figure, which is about 90 per cent. of the total.

Dairy Products Rank Second

Saskatchewan butter as well as Saskatchewan wheat is building up an enviable reputation in the world markets. More than 10,000,000 pounds of Saskatchewan creamery butter found a ready market in Great Britain. last year. Both a gold and a silver medal were won by the butter makers of the province at the London dairy show. Attention is being paid to grading, and the quality of the product is improving steadily. The value of dairy products in 1924 was $20,030,000, and for last year, as estimated, $22,000.000.

Along with the growth in dairying there is a gradual expansion in sheep and swine production, both of which are carried on as collateral with the main branch of farming, but at the same time giving employment to a larger number of men. To demonstrate that Saskatchewan can breed cattle of a very high quality, the livestock men of the province have sent livestock exhibits to Toronto and Chicago international shows with very gratifying results. Other minor branches of farming are making the farmer less dependent upon one crop.

These are the main factors in Saskatchewan's progress. The huge increase in the province's buying power is an eminently important business factor. Leading implement and equipment firms all over Canada are alive to the possibilities which this area presents over the next few months. The last two or three crops have enabled the farmer to pay outstanding indebtedness. The 1925 crop will throw him forward into expansion, into improving his buildings and equipment. The wheat province bids well to be the best sales area in Canada during the next half-year.



WESTERN BUILDING UP NEARLY 70 PER CENT.

Vancouver Area Largest Contributor to Gain—Losses in Eastern Canada

An increase of nearly 70 per cent. in the volume of building in the West is the feature of the January returns. Permits in 17 Western cities totalled $1,541,820 against $915,010 last January. The situation was somewhat reversed in the East where the totals for 33 cities declined by $1,638,876, making a net loss for the country of $1,012,066. The remarkable gain in the West is due mainly to operations in the Vancouver area. The city of Vancouver contributed $646,735 to the gain for the year. New Westminster made the next largest gain. While gains in the East were in the majority, there were a few large losses. The details follow:

BUILDING PERMITS

Eastern Cities

	Jan., 1926	Jan., 1925	Change
Maritimes—			
Halifax	$ 10,130	$ 2,190+$	7,940
Saint John	105,760	6,000+	99,760
Sydney	3,100	....+	3,100
Quebec—			
Montreal	548,510	765,235—	216,725
Outremont	150,000	213,000—	63,000
Quebec	15,976	12,200+	3,776
Sherbrooke	6,500	24,000—	17,500
Three Rivers	27,880	714,125—	686,245
Westmount	306,700	52,325+	254,375
Ontario—			
Belleville	1,350	275+	1,075
Border Cities	334,135	469,565—	135,430
Brantford	940	11,500—	10,560
Chatham	10,100	....+	10,100
Fort William	10,100	6,750+	3,350
Galt	3,800	5,900—	2,100
Hamilton	91,600	59,800+	31,800
Kingston	360	1,325—	965
Kitchener	33,035	39,600—	6,565
Niagara Falls	76,575	32,325+	44,250
Oshawa	16,800	7,720+	9,080
Ottawa	24,800	256,200—	231,400
Peterborough	12,500	....+	12,500
Port Arthur	2,920	1,365+	1,555
Sarnia	18,927	9,825+	9,102
Sault Ste. Marie	6,845	700+	6,145
Smith's Falls	Nil	Nil	....
St. Catharines	6,760	6,375+	385
St. Thomas	5,150	3,575+	1,575
Stratford	355	825—	470
Toronto	1,115,630	1,843,355—	727,725
Welland	880	150+	730
Woodstock	1,705	2,294—	589
York Twp.	111,100	151,300—	40,200
Total 33 E. cities	$3,060,923	$4,699,799—	$1,638,876

Western Cities

	Jan., 1926	Jan., 1925	Change
Manitoba—			
St. Boniface	37,500	60+	37,440
Winnipeg	77,250	79,000—	1,750
Alberta—			
Calgary	55,050	48,550+	6,500
Edmonton	18,150	9,875+	8,275
Lethbridge	3,165	250+	2,915
Medicine Hat	135	145—	10
Saskatchewan—			
Moose Jaw	950	400+	550
North Battleford	Nil	Nil	....
Regina	9,200	18,350—	9,150
Saskatoon	11,260	4,050+	7,210
Weyburn	250	....+	250
Yorkton	Nil	3,000—	3,000
British Columbia—			
Nanaimo	5,000	3,800+	1,200
New West'ster	42,050	12,775+	29,275
Point Grey	270,800	332,700—	61,900
Vancouver	981,545	334,810+	646,735
Victoria	29,515	67,245—	37,730
Total 17 cities	$1,541,820	$ 915,010+$	626,810
Gd. tot. 50 cit.	$4,602,743	$5,614,809—	$1,012,066

CANADIAN BUSINESS STATISTICS

A valuable addition to the extremely useful data on business provided by the Dominion Bureau of Statistics is the Monthly Review of Canadian Business Statistics which made its first appearance this week. The new bulletin provides a comprehensive survey of Canadian economic movements as interpreted through such factors as prices, employment, construction and banking progress, as well as statistics relating to investment and speculation. A review of conditions in the United States and Great Britain, in so far as they affect Canadian conditions, is also given.

Canadian Business Indicators

INDUSTRIAL

Car Loadings—

	1926	1925
Week Jan. 30	53,361	51,658+3.3%
Year to date	218,904	204,351+7.1%

Grain Receipts—

Aug. 1 to Jan. 29	305,373,066	184,935,200+65.4%

Building—

January	4,602,743	5,614,809—18.0%

Railway Earnings—

12 Months—		
C. P. R.	$183,356,005	$182,502,156+0.4%
Oper. Exp.	143,201,229	145,274,914—1.4%
Net	40,154,775	37,227,241+7.8%
11 Months—		
C. N. R.	221,119,532	216,271,446+ 2.2%
Oper. Exp.	104,203,327	201,787,478— 3.7%
Net	26,916,205	14,483,963+85.8%

Pig Iron Output—(tons)

12 months	570,397	593,024—3.8%

FINANCIAL

Bank Clearings—

	1926	1925
January	$1,349,306,742	$1,407,800,094—4.1%

Savings Deposits—Chart. Banks—

November	$1,298,331,228	$1,231,861,390+ 5.4%

Current Loans—By Banks—

November	$909,977,043	$961,349,103— 5.3%

COMMERCIAL

Balance of Trade—

	1925	1924
12 months, Dec. 31—		
Exports	$1,283,098,795	$1,070,611,616+19.8%
Imports	890,267,348	808,144,573+10.1%
Balance	392,831,447	262,467,043+49.9%

Wheat, No. 1 Nor., Winnipeg—

1926	1925
Feb. 8, $1.55	Feb. (Av.) $1.96

Cattle—(Good, Toronto)

Feb. 8, $8.60	Feb. (Av.) $6.97

Hogs—(Select, Toronto)

$13.25	Feb. (Av.) $11.80

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Budgetary Control as Stabilizer of Business

There Never Has Been a Time When Business Men Have Been so Alert to the Necessity for a Sound Basis for Their Plans

By FRED W. SHIBLEY,

*Vice-President, Bankers Trust Company, New York.

When the fundamental conditions are right men can proceed courageously, feeling assured of ultimate success.

Business was never on a sounder basis in the United States than at the present moment. Raw materials and manufactured products are flowing from producer to consumer with the least congestion ever known.

Never in my knowledge were business men more alert. They are peering into the future, feeling their way into the coming days cautiously, as men act after a disaster which shook them to their heels. "How long will it last?" is the query on everyone's tongue. The national prosperity is almost too good to be true. Not for a decade or more will the business men of the United States forget the cataclysm of 1920 and 1921.

They admit freely that in the early post-war days they were enthused with a foolish, almost fatuous optimism, which led them to the brink of disaster.

Now they are determined to be more efficient, and there is much evidence to support the statement that in the new quarter century which began on January first a new epoch was inaugurated which shall be notable in business management and in marketing and distribution not only of manufactured products, but also those of the soil.

Inventories were never better balanced, more liquid or the turnover greater.

The post-war surplus manufacturing capacity is being gradually absorbed, but there is no question that a very large excess capacity in some lines still exists.

The sales movement away from commission houses and jobbers and toward direct distribution to the retail trade and even to the ultimate consumer is gaining impetus steadily.

Transportation Efficient

Transportation facilities are now so efficient that merchandise of all kinds can be moved quickly, thus preventing the tying up of excessive stocks in the hands of wholesalers or jobbers and enabling the great mail order houses to function effectively.

Wages continue high, and it is the current opinion of large employers of labor that it is a sound economic theory to pay direct labor the highest possible wage, based upon labor's cooperation in modern scientific methods for increasing output. The working man is not asked to work harder, but to work more efficiently.

High wages and increased output are steadily becoming synchronized.

It would seem that commodity prices would not rise materially in the near future. The ultimate tendency, however, should be downward. Quantity production with small profits is inevitably the result of decling prices and quality production in the fact of excess plant capacity with the assurance of keen competition in practically every line can only be attained by executive efficiency and wise planning.

Resistance to what the public considers unfair sales prices is no longer an incident, but an economic fact which promises to endure.

Buyer in Saddle

The buyer is in the saddle and the seller walks.

Increased capital values owing to the rise in the prices of securities necessitate larger earnings in order to pay dividends that will justify current market values. This also demands greater efficiency from both management and factory.

It is realized by thoughtful men both in Canada and the United States, that quantity production through a sustained period of prosperity will inevitably produce saturation of home markets, and in consequence foreign trade must be cultivated and developed.

But how is foreign trade to be extended in the face of the cheaper production cost of European and Oriental countries? The only possible answer is by an increased efficiency in producing and distributing manufactured products and the products of the farms.

It is evident, therefore, that a greater efficiency, a more thorough and comprehensive knowledge of economic fundamentals is demanded of business men than ever before, and that this demand will prove progressive.

Recognizing this, manufacturers, merchants, bankers and farmers are making plans and perfecting methods to meet these severe conditions which confront them. They now know thoroughly what they must do, having learned at great cost, the lessons taught by the collapse of the business boom which followed the termination of the great war.

They know that balance is an essential in business, balance as between the forecast sales volume, the operating schedule, the working capital position; balance as between inventory requirements and above all, balance as between income and expenses.

The problem is how best to attain a perfectly balanced business and so control its operation that it shall remain in balance.

Found the Solution

The satisfactory solution of this problem was revealed to me very clearly through my active participation in the successful reconstruction of several important enterprises during the past five years.

It seems reasonable that if a plan of reorganization and operation exists by which a bankrupt corporation or one operating hopelessly at a loss, can be restored to a profitable basis, such a plan should prove even more effective in a well managed successful corporation.

In analyzing the condition of the several unsuccessful corporations, with which I was particularly concerned during this period, I learned that the reasons why they had become so seriously involved were:

1. Uncontrolled executive management and uncontrolled departmental operations.
2. Manufacturing operations based on current business outlook and not on systematic sales analysis leading to conservative forecasting.
3. Inventories excessive in amount, unbalanced and not co-ordinated with operating schedule.
4. Working capital represented in excessive proportion by an unliquid inventory and procured in greated part by short time banking accommodation.
5. Construction of new factories paid for out of short time loans and not from the sale of stock.
6. Cost systems in which overhead was treated as a fixed percentage of direct labor cost and which did not tie into the balance sheet and monthly operating statements.
7. Too much trusting to luck and too little to intelligent overhead planning.
8. Lack of balance between the several departments of the business.
9. Dividends paid from the proceeds of borrowed capital.

You will say at once that no industrial enterprise could hope to succeed on any such basis of management and operation. I can only say in reply that great number of such businesses are struggling along to-day thus handicapped and they will continue afloat until a financial or industrial squall comes, and then go down. The sea floor of the industrial ocean is strewn with such wrecks.

Causes of Failure

Having learned the causes of industrial failure it did not require more than commonplace intelligence and ordinary common sense to draft a constructive program of rehabilitation which should demand the following essentials:

1. Executive management directed to base its production schedule on a sales forecast arrived at after comprehensive analysis of sales possibilities for the manufactured products in each sales zone.
2. Inventories balanced to current requirements.
3. Working capital liquid in quality and sufficient in amcunt to provide for the cash requirement of the production schedule and the sales forecast.
4. A cost system checked monthly with the operating statements and harmonized with the percentage of profit shown in such statements.
5. Departmental operations controlled by the production schedule and the sales forecast.
6. New construction paid for only from earnings in excess of working capital requirements or from new capital provided by shareholders.
7. No cash dividend impairing current working capital.
8. Monthly comparison as between actual performance and operating costs as forecast.
9. Monthly correction and revision of the forecast.

I am prepared to state that such a comprehensive system of operating any industrial enterprise is not difficult to instal and is very simple in actual practice. It does require intensive thought and common sense to conceive its splendid possibilities and it will take a little time for an executive to sell the system to his organization, for in nine times out of ten the system is resisted by department heads.

Dislikes Sales Analysis

The sales manager does not like to make an exhaustive sales analysis. He is forced to put down in black ink on white paper a sales estimate for a particular period and he knows that he will be expected to perform on the basis of his forecast.

Each branch manager feels that the sales analysis is a high-powered searchlight directed on the division. He resents being compelled to evaluate sales prices, in brief to project his mind into the future, think intelligently and reduce his thoughts to an intelligent opinion.

The chief executive himself hesitates at first to base his operating plans on a sales forecast even though prepared by his own sales organization. He confesses his lack of confidence in the forecast and he will have no confidence unless he visits the several sales territories himself, evaluates each branch manager's and salesmen's predictions and arrives at an intelligent personal opinion of what is going on out in front on the firing line.

It is inevitable that for the first few years, during the installing of this system of control, the chief executive will so visit the sales territory and study intimately sales conditions. From so doing, he will become altogether a more valuable chief executive. He will discover that the troubles of the lone salesmen out front where the orders originate are his troubles and sympathy and support will be born.

In time he will weld himself into the sales department and thenceforth will never free himself from looking ahead, wondering what potential buyers are thinkin~ about and endeavoring to outthink them.

Mighty Stride Forward

If we were not to go a step further with this system than the sales analysis and the sales forecast, a mighty stride forward in mangement efficiency would have been accomplished.

The production manager resists the system. He must prepare monthly an operating schedule based on the sales forecast, set down in exact terms, the cost of materials and supplies demanded by the sales allocations, together with the direct labor cost. the indirect labor and the manufacturing overhead, item for item, in exhaustive detail.

He will remember how easy it was in former days to lump these details and estimate totals as 100 per cent. or 150 per cent. of the direct labor cost. Moreover he has to do this work himself. He cannot send a boy to mill with this grist. It is too vital a matter.

He himself is responsible for the operating schedule and always in his mind is the haunting thought, that each month his operating cost forecasts will be checked by the executive manager item by item.

Does he know how to control his operating costs? Inevitably the monthly comparison will demonstrate the matter, and if he is inefficient it will be so proven on paper in his own handwriting.

The manager of the purchasing department particularly resists the system. He has on hand a quantity of excess material, semi-obsolete stuff which he is dimly conscious of and he realizes that when he is compelled to present his inventory in the light of a definite three months' inventory requirement, accurately balanced as to parts, and to set up under the head of "For Liquidation Through Future Operation or by Immediate Scrapping," such inventory as is not required by the operating schedule, he will be called into the executive manager's office and toasted over an exceedingly warm fire.

Limits His Appropriation

The advertising manager will resist the system as he will have to confine himself to an appropriation for advertising limited to a definitely determined percentage of the sales volume as forecast and he will be required to allot this advertising on the basis of the facts as set forth in the sales analysis.

In doing this he will discover and he knows his chief also will discover that he has been doing too much advertising in certain much lauded publications of national reputation, when the sales analysis demonstrates convincingly that the sales are sectional or vice versa. Moreover, he will be expected to check monthly the effect on sales of his advertising placements. He, too, will be under the searchlight of the system and he knows it.

The treasurer or office manager will resist the system because he too will have allocated to administration and general expense a definite percentage of the sales dollar beyond which he cannot go.

There is no escape from it anywhere, from the chief executive to the office boy. There are only a hundred cents in each dollar of income and each cent of expense must pull its fair share of the dividend load or be squeezed out of existence.

Is it not plain that a system which

(Continued on page 8)

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*In address to the Canadian Club of Toronto.

EXPANSION NOTED IN MARKETS FOR FLOUR

Prices Have Remained Relatively Firm and Outlook Appears Brighter

Complete figures for 1925 on the flour milling industry in Canada show that prices were well maintained throughout the year at levels considerably higher than during previous years. The average price for first patents in Toronto was $9.38 in comparison with an average of $7.40 last year, $6.87 for 1923 and $7.65 for 1922. The average price of this grade for the month of December was $9.20. Since that time a slight recession in wheat prices caused some liquidation in flour.

Those interested in Canadian flour securities have followed with satisfaction the gradual expansion in the foreign markets for this product. For the twelve months ending with December there was a gratifying increase in the volume shipped to countries other than the United States and Great Britain. Britain's imports from us fell off slightly, from 3,660,707 barrels in 1924 to 2,657,999 last year, and shipments to the States have fallen off from 117,265 barrels in 1924 to 9,744 last year. At the same time, exports to the Orient and to certain European countries, as well as to the West Indies, have grown rapidly.

The general outlook for the flour industry in Canada seems to have improved somewhat. Last year was a disappointing year for most of the large milling concerns, owing to increased competition and other factors, but the general industrial improvement in Europe, and the general business recovery which seems to be under way here, are bound to have their effect. There are something like 1,390 flour mills in Canada, only a small number of which are large milling concerns. The amount of capital invested is in excess of $60,000,000 and the gross value of the products is $155,000,000. The wages and salaries paid by these concerns every year amount to something like $8,000,000, there being nearly 7,000 employees on the average.

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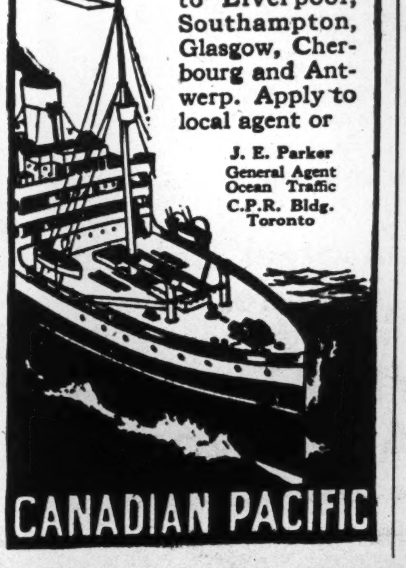

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The Securities Markets

MODERATE RISE HAS CONTINUED ON THE MARKET

Money Supply Regarded as Favorable to Bull Operations

Market Indicator
20 Industrial Stocks

	High	Low
Week of Feb. 10	92.2	90.3
Week of Feb. 3	92.6	88.1
Mth. of Feb., 1925	76.4	71.9

The week has seen another forward stride in the advance of the Canadian stock markets. The movement has not been quite so broad and the recent spectacular performers have been less in evidence, but there is no doubting that the general trend is still to higher levels. In this recent stage of the advance the Canadian markets have been acting pretty much on their own. They have continued on up despite hesitancy and even reaction on the part of Wall Street. It is evidently being accepted by the more speculative investors that up to the present the advance of Canadian prices has been relatively small to that which has taken place in the United States, that indications are for further improvement in business and that financial conditions assure a free supply of money for both commercial and industrial expansion with no sign of trouble in this regard so far as stock market operations are concerned. At the same time the more conservative investors are using both caution and judgment in making their selections for new commitments. They realize not only that the present level of the market shows a considerable advance but that at present prices stocks are discounting the future—and the future is never certain.

Looking to the situation in Wall Street which at all times influences, more or less, the Canadian markets, there would seem to be increasing evidence that the present period is another one of readjustment rather than the start of a major reaction — in other words, that the end of the bull movement is not yet, despite the high levels to which prices have been advanced. Supporting this view is the easier money situation, the comparative interest returns on stocks, on bonds and the blast furnace production which is regarded as a barometer by such students of the market as Col. Ayres of the Cleveland Trust Co. Should the sideways movement of the market continue, there are those who look for another phase of the bull market in the fall. A further advance at the present time would be regarded by those who hold this view as dangerous and likely to bring on an unhealthy situation which would mark the end of the bull market. The argument from the bear angle is still that, despite the various indicators, the market is much higher than warranted by conditions and that it is only a matter of time until the present holders endeavor to take profits with the result that they will be unable to find a new group of buyers.

The important development of the week bearing on the market situation has been the publication of brokers' loans in New York. The total, it was said, was about $1,000,000,000 greater than had been anticipated. If this was the case, reaction on the part of the market was of such moderate extent that it would seem to indicate that the bulls are correct in their attitude that prices have not been taken to an unhealthy level. There was some realizing but not to the extent which might have been looked for if the market was in a technically weak position.

The Canadian Market

Following is a summary showing advances and declines of Canadian stocks in groups:

	Gains	Loss	Unch.	Total
Banks	5	2	2	9
Paper	4	6	3	13
Steel	11	4	..	15
Foodstuffs	9	12	10	31
Utilities	6	7	5	18
Tractions	5	4	2	11
Textiles	3	2	5	10
Industrials	17	6	6	29
Totals	60	43	33	136

The banks have again taken their place in the forward movement with Montreal, Royal and Commerce providing leadership. This is taken as a further sign of improved prospects for trade and industry generally.

Stocks in the paper group have been marking time generally after the recent strong forward movement. Wayagamack, Howard Smith and Laurentide sold off but Price Bros. proved the exception by gaining about ten points to seventy-two before reacting moderately.

The steel group generally have displayed strength. Steel of Canada passed the 100 mark and others responded to this display of strong leadership. Russell Motor, Ontario Steel, Canadian Locomotive, Canada Iron, General Electric and Canada Foundries were among those advancing.

Such of the active performers of the foodstuffs as B. C. Fishing and Shredded Wheat continued their upward movement to new high levels, but generally there was a reactionary tendency in this group. Atlantic Sugar, Canada Bread, City Dairy and Western Grocers were among those to sell to lower levels. The big milling companies showed practically no change. Canadian Salt continued its upward movement with another good gain to above 140.

In the utilities section, Brazilian suffered a reaction of a couple of points on profit-taking. The price to which this stock has risen discounts something more favorable than advance in dividend rate which has already taken place but there is a strong following and considerable confidence that interests which have been identified with the movement so far have not ended their efforts. Ottawa Traction made a nice gain. Twin City sold off. Southern Canada Power gained a couple of points and both Consumers' Gas and Bell Telephone were strong. Changes in the textile group were not important. Monarch Knitting developed strength and advanced a couple of points. Dominion Textile was easier. In general industrials F. N. Burt was easier; there seems to be some disappointment that this stock is not doing better for the shareholders although warnings have been issued against too much optimism. Sherwin-Williams advanced about three points. Port Hope Sanitary went to 85 for a gain of five points. Rogers common was off a couple of points. National Breweries was strong and Lyall went to 40 before reacting moderately.

The showing for this stock this year has been 20 low and 20 high. Goodyear Tire preferred moved up to 97. Crows Nest Coal settled back for 10 points after its recent rapid rise.

Rise of C.P.R. Stock Due to Many Factors

From Our Own Correspondent.

MONTREAL.—There are, of course, a number of factors responsible for the rise in stock of the Canadian Pacific Railway. These would include the improved business prospects in this country which reawakened the speculative interest and resulted in the demand for the shares. There is also the sensational rise in the stock of Consolidated "Smelters," which naturally forecasts a decided increase in earnings from this portion of the company's investment.

Again, the return of England to the gold standard, coupled with the steadiness of the pound at par, has encouraged British investment in Canadian securities — naturally there have been many purchases of the predominant Canadian security, C. P. R. stock. Lastly, of course, the actual improvement in earnings from the road itself has enhanced prices.

Of the original land grant of 25,000,000 acres of land, the Canadian Pacific still has unsold some 6,000,000 acres; this includes agricultural, timber, coal, natural gas and petroleum lands; these were carried at $98,500,000 in the last annual balance sheet, which seems a very conservative estimate of this portion of the road's assets.

QUEBEC POWER'S PLANS

QUEBEC.—Nearly $1,000,000 will be expended on improvements by the Quebec Power Company in the current year. New rails will be laid on the main route of the tramway line, the line leading to Ste. Anne de Beaupre will be ballasted, and the company's workshop will be doubled in size, and, due to the erection of the Anglo-Canadian Pulp Mills' mills at Limoilou, additional service to that section of the city will be provided.

Two More Directors for Asbestos Board

From Our Own Correspondent.

MONTREAL.—It is understood that two new directors will be added to the board of the new Asbestos Corporation. At one time, it was rumored that Sir Mortimer Davis would be elected, but it seems more probable that choice will fall on Lord Shaughnessy. The bankers who are responsible for the successful outcome of the merger will also probably be represented by a senior partner.

GOOD SHOWING MADE BY DOMINION STORES

Annual Statement Shows Material Increase in Net Profits

A substantial increase in the net profits of the Dominion Stores for the year just closed is reported in the financial statement presented this week. They were $291,849 against $187,398 the year before. The company's sales for the year amounted to $12,616,588 against $10,348,233 during 1924. In general, the year was a very successful one.

A balance of $239,167 is added to the net profits for the year from 1924 operations, making $531,016 available for distribution. From this total is deducted preferred dividends A amounting to $47,512, preferred dividends B, amounting to $1,050, common dividends, $46,866, federal income tax 1924, $19,712, and option written down making total deductions of $115,640, and leaving a balance of $415,375 subject to the income tax for 1925. The profit and loss account for the past two years was as follows:

	1925	1924
Net profit	$291,849	$187,398
Income tax	19,712	14,015
Option writ. down	500	1,500
	$ 20,212	$ 15,515
	$271,637	$171,883
Pref. dividends	48,562	65,012
Com. dividends	46,866	25,000
	$176,209	$ 81,871
Prev. balance	239,167	157,296
Balance	$415,376	$239,167

In the statement of assets and liabilities cash is shown at $394,646 against $201,899 last year; accounts receivable and prepaid on merchandise were $57,821 against $62,738; merchandise inventory was $1,325,525 against $1,361,532 a year ago. The capital assets of the firm, including buildings, real estate, etc., are shown at $641,628 in comparison with $403,030 last year.

Assets of Protective Assoc. Have Increased

MONTREAL.—The annual report of the Protective Association of Canada for the year ending December 31, 1925, shows an all round increase in the balance sheet figures. The cash on hand has increased during the year from $45,340 in 1924 to $48,976 at the close of 1925. All the securities held by the association are bonds or debentures which, this year, total $207,613, being an increase of over $27,000 during the period under review.

Amongst the liabilities, the reserve for unearned premiums stands considerably higher at $86,949. During the year the issued stock of the association has been increased to the full amount authorized, namely, $50,000. The net profits for the year amounted to $35,664; after payment of dividends and providing for taxes, there remained $15,040, which was added to the profit and loss account. Total assets of the association show a gain of $31,543, and stand at $268,214.

BATHURST'S YEAR SHOWED BETTER TRADE CONDITION

Operating Profits at $854,032, Compared With $526,988 in 1924

MONTREAL.—The annual report of the Bathurst Company, Limited, for 1925, reflects improved conditions in the sulphite and kraft pulp markets and shows that the company was able to materially improve its position as regards both earnings and working capital during the year.

Operating profits of $854,032 for 1925 compare with profits of $526,988 for the preceding twelve months. After deduction of bond and other interest, there remained a balance of $567,110, as compared with $218,959 for 1924. From this amount the company wrote off $460,644 for depreciation (as against $215,739 in the previous year) and $86,808 for depletion of timber limits—leaving a net profit for the year of $19,658. In 1924 there was a net loss of $1,780.

The balance sheet reflects a much more satisfactory position generally. Current assets (exclusive of investments in and advances to other companies, totalling $1,198,220) amount to $1,493,311, against current liabilities of $1,366,733—leaving net working capital of $126,578, as compared with a deficit of $26,660 at the end of 1924. Noteworthy changes in the working capital position include an increase of approximately $90,000 in trade accounts receivable; a reduction of $518,000 in inventory values; a reduction of $510,000 in bank loans and of $40,000 in trade accounts payable.

The value of the company's properties, as shown in the balance sheet, is very largely in excess of the outstanding funded debt. Timber limits, plant, buildings and equipment are carried at $13,308,543, against which the company has set up out of earnings a depreciation and depletion reserve of $2,566,553—leaving a net depreciated value of $10,741,990, equivalent to more than four times the amount of bonds outstanding. In addition, the balance sheet shows an asset of $1,198,221, representing investments in and advances to other companies.

In his report to shareholders, President Angus McLean states in part as follows:

"During the year your plants operated continuously at capacity. All plant machinery and equipment have been maintained in first-class operating condition. Having in mind that the market price for lumber did not admit of operating your lumber business at a profit during 1925, and the fact that market prices for easy bleaching sulphite and kraft pulp during the first seven months of the year were unsatisfactory, your directors feel that profits for the year are reasonably satisfactory.

"Your directors also feel that they have adopted a conservative policy in writing off such substantial amounts for depreciation and depletion. You will note that reserves for these items now stand on the balance sheet at $2,566,552.

"Bond indebtedness during the year was reduced from $2,740,000 to $2,634,500, and bank loans have been reduced from $1,660,000 to $1,150,000.

"The general business outlook for 1926, together with a present appreciation of 1926 market prices for your company's products indicates to your directors that the results for 1926 should show improvement."

Price Bros. Mentioned in Talk of Merger

MONTREAL. — Interests who have been identified with former financing of Price Brothers Paper are not disposed to credit rumors which have been in circulation to the effect that International Paper has offered $75 per share for control of the Quebec company. The rise of Price stock to 72 this week on a $2 per year dividend basis has naturally caused the Street to try to find tangible reasons for the advance. Well-informed local circles recently estimated the holdings of the Price family as being about 224,000 shares out of the total of 426,830 shares outstanding. Lord Beaverbrook is among other large shareholders.

SHREDDED WHEAT HAD SATISFACTORY YEAR

Profit of Nearly Fourteen Dollars per Share Slightly Better Than Last Year

Earnings of $13.92 a share, or $8.92 after the deduction of goodwill, marked the central feature of the Shredded Wheat annual statement presented to the shareholders at Niagara Falls, N. Y., this week. In 1924 the company earned $13.82 after a special reserve was set aside, and $7.07 in 1923 after writing down goodwill to the extent of $500,000.

According to the statement the gross profits, less operating expenses, amounted to $1,827,974 against $1,891,930 in 1924 and $1,740,627 in 1923. The sum of $188,403 was set aside for depreciation and $247,819 reserved for taxes, leaving net profits of $1,391,752. The balance after adjustment of $6,955, amounted to $1,859,563, bringing the total available for distribution to $3,251,316. Dividends amounting to $1,000,000 were paid, $500,000 written off goodwill and $1,751,316 carried into the new year.

	1925	1924	1923
Gross profits	$1,827,974	$1,891,226	$1,740,627
Depreciation	188,403	176,950	179,932
Taxes	247,819	297,635	290,705
Net profits	$1,391,752	$1,416,641	$1,276,989
Balance fwd.	1,859,563	1,470,384	1,755,403
Total	$3,251,316	$2,887,025	$3,032,393
Taxes	....	....	70,000
Dividends	1,000,000	1,000,000	1,000,176
Resr. London Adv.	....	34,417	....
Goodwill	500,000	....	500,000
Surplus	$1,751,316	$1,852,608	$1,462,217

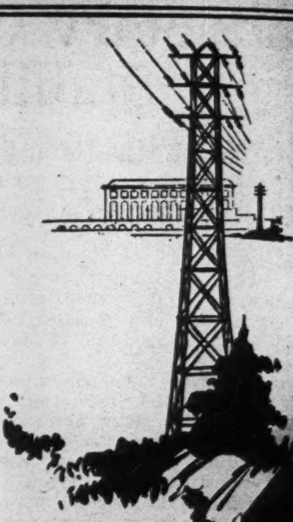
The total assets of the company show a reduction of approximately $500,000, being $12,322,651, as against $12,814,366 last year.

Predicts Ontario Steel Will Pay a Dividend

In reviewing the affairs of Ontario Steel Products, Ltd., H. B. Robinson & Co., say: "It would appear that the prospects for an increased dividend on the common stock are very good. These shares are selling on the Montreal Stock Exchange at this date at 73 and appear to be a most attractive investment with excellent opportunities for appreciation in value."

The company was formed in 1913 and is a consolidation of the Gananoque Spring and Axle Company, and the D. F. Jones Manufacturing Co., Ltd., which were established in 1860 and 1852 respectively and have plants at Gananoque, Chatham and Oshawa.

The principal business of the company has been shovels, springs and axles for vehicles of all kinds, and in later years, a large business in automobile springs.



Invest *in* Water Powers.

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Profits of Canadian Banks Increased Over $650,000

A summary of the various Canadian bank statements as worked out by Johnston and Ward, shows a total of net earnings for the year 1925 of $18,919,560 as compared with a corresponding total of $18,269,089 for the year 1924. This shows an increase of $650,471 in a group that includes all but one of the chartered banks of Canada.

An analysis of the relation of bank dividends to the current market price of the bank stocks, indicates: (a) A considerable decline in yields during 1925 as compared with 1924, as the result of invariably higher price levels; (b) a condition still existing, in spite of this decline in yields, where the return, on an average, is very much higher than the prevailing yields on the better type of bank stocks in the United States. Where the latter, in many cases, run from 4 down to 2 per cent. the lowest yield on a Canadian bank stock at current market levels is 5.2 per cent., and no other bank stock shows less than 5½ per cent. In the main, the yields ran between 5½ and 6 per cent. at the high of 1925. Current market prices run a few points below the high of 1925, but the strength that was manifest in the past year is still maintained, and gives every promise of continuing

STERLING APPRAISAL REPORTS

CERTIFIED *by* **REGISTERED PROFESSIONAL ENGINEERS**

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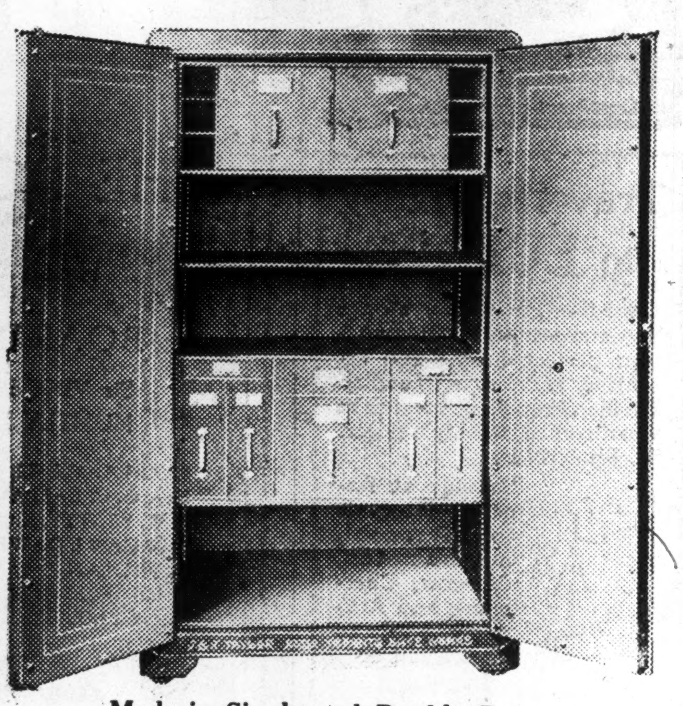

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S. R. PARSONS *J. B. LAIDLAW* *A. P. TAYLOR* *W. HARLAND SMITH* *H. H. BECK*

Twenty-Fifth Financial Statement being for the Year Ended December 31st, 1925

CAPITAL ACCOUNT

Assets			Liabilities
Mortgages, and sale agreements	$ 969,876.63	Capital Stock, fully paid	$1,000,000.00
Bonds and Stocks	179,511.56	Reserve Fund	500,000.00
Loans on Collateral	48,375.00	Contingent Reserve	25,000.00
Real Estate	266,436.73	Dividend Payable Jan. 2nd, 1926	17,500.00
Other Assets	233,765.67	Dominion Income Tax, accrued	7,063.00
Cash on hand and in banks	30,622.49	Other Liabilities	11,539.76
		Profit and Loss	167,485.32
	$1,728,588.08		$1,728,588.08

GUARANTEED TRUST ACCOUNT

Mortgages on Real Estate	$3,886,416.05	Trust Funds for Investment	$3,194,829.90
Victory, Municipal and other Bonds	475,888.43	Trust Deposits	1,222,268.72
Cash on hand and in Banks	223,632.69	Capital Account	168,838.55
	$4,585,937.17		$4,585,937.17

ESTATES, TRUSTS AND AGENCIES ACCOUNT

Funds and Investments	$7,809,877.00	Estates, Trusts and Agencies	$7,809,877.00
TOTAL	$14,124,402.25	TOTAL	$14,124,402.25

PROFIT AND LOSS ACCOUNT

Quarterly Dividends	$ 70,000.00	Balance brought forward December 31st, 1924	$138,866.68
Written off Safe Deposit Vaults	4,740.00	Profits for 1925, after providing for cost of management, Directors' and Auditors' fees	116,503.90
Taxes and Fees accrued and paid to Dominion and Provincial Governments and Municipalities	13,145.26		
Balance carried forward	167,485.32		
	$255,370.58		$255,370.58

C. D. HENDERSON, General Manager.

A. B. Brodie, C.A., D. McK. McClelland, F.C.A., of the firm of Price, Waterhouse & Co., Auditors.

Food Products

ATLANTIC SUGAR REORGANIZES ITS CAPITALIZATION

Move Should Prove Constructive; Debt Funded at 5 Per Cent.

From Our Own Correspondent.

MONTREAL. — The shareholders of the Atlantic Sugar Refineries at the special general meeting ratified the refinancing plans of the company. The change in the capital structure, which the shareholders have authorized is seen in the following:

Old Capitalization	
1st Mortgage 6 per cent. bonds	$ 795,000
2nd Mortgage bonds: $3,000,000 issued and held as collateral security for bank loan of	1,350,000
Indebtedness (raw sugar) with interest to April, 1926	3,926,739
Pfd. stock (Convertible to common at option of shareholder)	1,111,100
Common stock	4,888,900
New Capitalization	
1st Mortgage 6% bonds	$ 795,000
Gen'l. Mort., 5%, 15-yr. sink. fd. b'ds	3,926,739
Pfd. stock	1,111,100
Common stock (no par value) ..	78,889 shs.

From the foregoing it will be seen that the second mortgage bonds will no longer be included in the capitalization. This does not necessarily mean that the bank loan has been wiped out, but it does mean that the bank will no longer hold these bonds as security for its advances. Incidentally, it is understood that this loan has been materially reduced.

New Mortgage Goes to Creditors

The new general mortgage issue will simply be handed to the company's creditors who are taking these 5 per cent. bonds in full payment of their claims. This will mean a considerable saving to the company in lowered interest charges through the low interest rates which the new bonds bear.

The only change in the standing of the preferred stock is that it may no longer be exchanged for common at the option of the preferred shareholders.

The par value of the common stock has been altered from $100 to that of no par value and a further 30,000 shares have been underwritten by the directors at a price of $25 each.

The general simplification of the company's financial position, together with the excellent terms which have been arranged with the creditors, will undoubtedly prove acceptable to the shareholders. Both the preferred and common shareholders have the right to subscribe for the new issue of common stock in the ratio of one of new for every two of the old held.

The New Trust Deed

In the trust deed covering the new issue of general mortgage bonds, it is laid down that no dividends shall be paid until such time as the aggregate of first and general mortgage bonds outstanding totals $3.000.000. The sinking fund requirements of the new issue call for payments of $50.000 which shall be increased annually until $125,000 is paid in 1932. From that date, the company will pay $400.000 annually into the sinking fund. The effect of the large increase in the sinking fund requirements in 1932 is considerably offset because, by that date, the first mortgage bonds will have been redeemed.

That the company has been experiencing much improved business is seen in the following figures which show the earnings of Atlantic Sugar for the eleven months ending November, 1925:

Profits for the period before providing for the undernoted charges ..		$1,208,995.68
Bond interest	$38,667.50	
Bank int., exchange and other interest	331,153.61	
Deprec'n. on plant and franchises	325,762.47	
		695,583.58
Net profit for period....		$513,412.10

Ogilvie Common Leads Gain in Milling Stocks

Several of the milling stocks have been making notable gains since the general business improvement has commenced, and since the export situation has begun to brighten. Since the beginning of the year, Ogilvie common has gained twenty points. The year opened with the stock quoted at 175. One fairly large sale was reported at 195 this week, and a large volume of trading took place at 194. The preferred has been firm as well, although there has been little trading.

The next gains of note have been in the case of International Milling and Lake of the Woods common. The former commenced the year at 102¾ and trading has taken place this week at 105. Lake of the Woods started the year at 172 and has been selling this week at 175. St. Lawrence has gained slightly. Western Canada shares have remained stationary, while Maple Leaf has sagged both in common and in preferred. The former has receded from 88 at the beginning of the year to 80, while the preferred has eased slightly from 102 to 100.

Gets Big Commission on the Spillers Deal

VANCOUVER.—An increase in the commission to be paid to Dai Thomas by R. H. Gale for Thomas' services in enabling Mr. Gale to interest the Spillers milling interests of Great Britain in the elevator project of the Terminal Grain Company at Vancouver was allowed by the Court of Appeal. At the trial, presided over by Mr. Justice Gregory, Thomas was awarded a commission up to $20,000. Gale appealed and Thomas promptly entered a cross-appeal claiming a higher commission. The court gave judgment dismissing Gale's appeal against payment of any commission and allowing Thomas' appeal claiming he was entitled to a maximum of $36,000.

ALBERTA STUDIES MILLING

Announcement is made that the establishment of complete equipment for a wheat milling and baking laboratory at the Alberta University has been completed. The resources of the university laboratory will be devoted wholly to a research program approved at a recent conference of chemists and agronomists from the three prairie universities, called by the National Research Council. The most important item of this programme under way at present is the investigation of the quality of wheat produced in different districts, and of practical methods for its improvement.

BISCUIT SHARES FOR BOARD

MONTREAL.—Application will shortly be made to the Montreal stock exchange for listing the common stock of the Viau Biscuit Corporation; application will also be made later to list the first preferred cumulative shares of the company.

WILLIAM DAVIES MADE SOMEWHAT BETTER SHOWING

Earnings on "A" Shares Were $2.41 for the Year 1925

In view of the developments in the Canadian packing industry the annual report of the William Davies Company is being studied with more than usual interest in investment circles. The profits show some improvement, the net of $219,704 being at the rate of $2.41 per share on the "A" issue. Gross earnings were somewhat smaller than in 1924, the difference being more than made up by smaller bond interest and depreciation charges. Following are comparative figures:

Profit and Loss

	1925	1924	†1923
Gross profits ..	$656,469	$687,677	x$21,917
Depreciation . .	250,576	282,278	....
Spec. losses ...	....	....	152,552
Interest	186,189	195,109	454,479
	$436,765	$477,387	$607,031
Net profits	$219,704	$210,290	x$628,948

†For 15 months. xLoss.

E. C. Fox, president, in his report, states that the year was one of decreasing hog supplies both in the United States and Canada. This was due to the shortage of hog feed in some districts and to the relatively high value of grains compared to their equivalent in live hogs. Both these conditions were completely reversed following last fall's harvest. There is prospect of very heavy deliveries during the latter half of the year, but hog receipts are extremely light at present. Mr. Fox observed that costs were forced too high during the period of accumulation of product, thus rendering difficult what otherwise looked to be a good year. Under the conditions the board of directors felt the 1925 results were satisfactory. He observed that the balance sheet continues to show a steady improvement which is necessary before any resumption of dividends can commence. The directors will continue to press for a steady improving liquid financial position.

The company's balance sheet shows current assets of $4,020.209, which compares with $5,632,704 in the preceding year. Current liabilities amounted to $1,486,445 as against $3,402,833 in the preceding year. Thus net working capital position has improved from $2.229.821 at the end of 1924 to $2,533,860 shown in the current report. Bank loans have been reduced from $1,555.000 to $483.210. A bank overdraft of $24,875 has been wiped out and acceptances have been reduced from $1.096.857 to $395,200.

It is noteworthy that the amount of Wm. Davies Co. "A" shares held by the Canadian company at cost increased from $866,480 to $976.550 during the year. This represents purchase of the shares in the open market. Capital assets are carried at $6.201.358. The company's bonded debt was reduced by nearly $300.000 during the year and now stands at $2.721.000.

Dominion Radiator In Strong Liquid Position

Profits on sales of the Dominion Radiator & Boiler Company, Ltd., for the year ending December 31, amounted to $158.255 compared with $220,587 in 1924. Other income at $66,572 showed a substantial increase over the $19,259 reported for 1924, but after the payment of taxes $70,120 and allowing $45,000 for depreciation the net income was just sufficient to take care of dividends $108.388 and leave a surplus of $1,319. The total surplus, however, amounted to $589,750, the amount brought forward being $588,430. In addition the statement shows general reserves of $455,287.

INCOME STATEMENT

	1925	1924
Profit on sales	$158.255	$220.587
Other income...........	66,572	19,259
	$224,827	$239 846
Taxes	70.120	64.932
Depreciation	45,000	45.000
Bad accounts	.. ...	5,131
	$115.120	$115 063
Balance	$109.707	$124.783
Dividends	108.388	108,388
Surplus	$ 1.319	$ 16.395
Prev. surplus	588.431	572.036
Total surplus	$589,750	$588.430

The balance sheet shows a very strong position as regards working capital. The current assets of $1,525.766 compared with current liabilities of only $39.938. leaving a surplus working capital of $1,485.827. The company has $367,924 in cash. $488,000 in government bonds. Inventories amount to $582.448 and accounts collectable to $87,393.

CANADA CEMENT ANALYSIS

Jones, Newton & Heward, members of the Montreal Stock Exchange, have prepared an analytical statement on the position of the Canada Cement Company, which they are furnishing on request. The balance sheet figures for the past five years are compared in some detail, and these are supplemented by a graph showing the trend in the significant items of property account and of investments. A few general remarks draw attention to special points of interest in connection with the company.

Stock Market Record

WEEK ENDING FEBRUARY 9

	Div. Rate	Yield Feb. 8	High for wk.	Low for wk.	Close Feb. 9	Close Feb. 2	Sales for wk.	Range 1926 High	Range 1926 Low
Banks—									
Commerce	12+1	5.77	225½	225	225	224¼	234	226	223
Dominion	12+1	5.98	217	216	217	218½	31	219	215¼
Can. Nationale	10	6.17	162	160	162	160½	39	170	160
Imperial	12+1	6.04	215	214	215	215	22	215⅛	211
Montreal	12+2	5.34	263	261	263	261	162	263	258½
Nova Scotia	16	5.58	286	286	286	286	14	286	281
Royal	12+2	5.51	254	251½	254	252½	210	255⅛	248¼
Standard	12	6.03	199½	198½	199½	199	98	200	198
Toronto	12	5.45	220	220	220	220	26	222	213
Paper—									
Abitibi, com.	4	4.84	84	81	82½	82¼	10926	85½	71½
Do. pref.	7	6.36	..	..	..	..	..	116	109¾
Belgo-Can., pref.	7	7.00	100	99¼	99¼	100	433	100½	95¾
Brompton		....	30½	29¼	30	30½	2646	31⅛	26
Laurentide	6	6.85	88⅛	86	86	88⅜	989	89¾	84¾
Price Bros., com.	2	2.77	72	62¼	68	62	1740	72	57
Do. pref.	6½	6.70	97¼	96¼	97	96	1272	97¼	95½
Prov. Paper, com.	6+1	6.91	101¼	100	101¼	101⅛	80	101½	100
Do. pref.	7	6.68	104½	100	104½	103½	75	104½	101¼
Smith, Howard, com.		....	54¼	50	50	52	937	54¼	38
Do. pref.	8	8.08	99½	98⅞	99	99	475	99½	92¾
Span. River, com.	7	6.51	107½	106¼	107	107	1737	108	102¾
Do. pref.	7	5.98	118½	117	117	119	1020	119	114¼
St. Maurice Paper	6	5.66	..	..	..	..	..	106	104½
Wayagamack		....	81	78	78	80	255	83	73
Steel and Steel Industries—									
B.E. Steel, com.		....	3	2¼	3	2¼	850	3⅛	2⅜
Do. 1st pref.		....	28½	27	27	28½	280	30	27
Do. 2nd pref.		....	8¾	8¼	8¼	8½	1854	10¾	8
Can. Car & Found., com.		....	47½	45½	46½	47	1269	49	33
Do. pref.	7	8.21	85¼	84¼	85	84¾	1274	85½	73
Can. Foundries, pref.		....	50	44	50	44	85	50	41½
Can. Gen. Elec., com.		....	..	..	..	..	..	51	51
Do. pref.	7	5.83	60	58	59	57½	426	60	57
Canada Iron, com.		....	..	..	..	..	..	10	10
Do. pref.		....	42	42	42	40	70	42	40
Can. Locomotive, com.		....	35	35	35	..	20	35	35
Do. pref.	7	8.64	83	79	83	79	444	83	73
Dominion Coal		....	42½	42	42½	41	15	42½	40½
Dominion Iron, pref.		....	..	..	..	..	..	24	20
Dominion Bridge	4	4.30	93½	91	93½	94¾	526	96	80
Dom. Radiator, pref.	7	6.79	..	..	..	..	..	103	103
Dom. Steel Corp., pref.			..	..	..	..	..	24	24
Ontario Steel, com.	4	5.47	73	72½	72½	71½	215	73	70
Do. pref.	7	6.96	..	..	..	..	..	100½	100¼
Russell Motor, com.		....	..	..	..	..	..	40	39
Do. pref.	7	7.77	90	89¾	90	88	50	90	28
Steel of Canada, com.	7	6.96	102	98½	100	99	6656	102	95⅛
Do. pref.	7	6.03	116	113¾	116	115¾	222	116½	114
Milling and Foodstuffs—									
Atlantic Sugar, com.		....	29	28	28½	29	155	32⅛	28
Do. pref.		....	83	80	81¼	82	170	88	80
B.C. Fishing		....	64¾	58	64	58½	3616	64¾	57¼
Canada Bread, com.		....	59½	58	58½	59½	243	61	58
Do. pref. (A)	7	6.36	110	110	110	110	25	110	106
Do. pref. (B)	7	7.21	97	96½	97	97	240	97	96¼
Can. Canners, com.		....	14½	13½	13½	13	813	15	13
Do. pref.		....	65	64¼	64½	64¼	641	67¾	62
Canadian Salt	8	5.92	141	141	141	135	4	141	131
Christie Biscuits com		....	..	..	..	..	..	63½	62
Can. Bakeries. com.		....	33	33	33	33	1	36	33
Do. pref.	7	7.31	96	95	95	96	108	96¼	95
City Dairy, com.	12	3.89	80	76	76	80	530	81	75
Do. pref.	7	6.30	111	110	111	110	7	111	107
Cuban Can. Sugar, com		....	5	4½	5	5	160	5	3½
Do. pref.		....	26	26	26	24½	25	26	24
Dominion Stores, com.	1.00	....	67	67	67	67	10	67½	65
Do. pref.	8	7.01	114	114	114	115	220	115	106
Wm. Davies (A)		....	36½	36	36	36¼	420	37¼	34¾
Inter. Milling, pref.	7	6.66	105	104½	104½	104½	10	105	102½
Lake of Woods, com	12	6.85	175	174	174	175	31	175	172
Do. pref.	7	6.03	116	116	116	116	10	116	116
Maple Leaf Mill, com.		....	80	80	80	80	10	88	80
Do. pref.	7	7.00	100	97½	99	100	31	102	97½
Ogilvie Flour, com.	5	2.57	194	193½	194	193½	777	195	175
Do. pref.	7	5.64	..	..	..	..	..	124	123½
Pure Gold Mfg.	50c	....	21½	20	21	21½	68	22¼	20
Shredded Wheat	10	4.58	218	205	218	200	160	218	169½
St. Law. Flour, com.		....	42	40	40	44	145	45	39½
Do. pref.	7	8.51	84	84	84	82¼	25	84	82¼
West. Can. Flour	8	6.95	115	115	115	115	50	115½	114
Western Grocers, com.		....	6½	5½	5½	5¾	318	13¼	5¼
Do. pref.		....	56½	51¾	55	51	982	64	49½
Utilities—									
Bell Telephone	8	5.69	140¼	139	140	139⅜	593	141	139
Consumers Gas	10	5.61	179	177	179	177	107	180	174½
Inter. Utilities (A)	87½	....	38	37¾	38	38	165	38½	37½
Do. (B)		....	..	..	..	..	..	9½	9¼
Jamaica Pub. Ser., pref.	7	7.17	97½	97½	97½	98½	82	98½	97½
Laurentide Power	5	4.54	..	..	..	..	..	110	110
Mackay, com.	7	5.14	137	135	137	136	1059	138¼	135
Do. pref.	4	5.47	73½	73	73⅛	73	365	73½	72
Mexican Light, com.		....	..	..	..	..	..	30	29½
Mont. L. H. & Pr. Cons.	8	3.69	216½	214½	215	216	4047	219⅜	212¾
Montreal Telegraph	8	6.55	49½	49	49½	50	292	51½	49
Ottawa L. H. & Pr., com	6	6.12	98	98	98	98	60	98	97½
Do. pref.	6½	6.19	105	105	105	104	20	105	102
Quebec Power, com.	5	4.21	120	115½	118	119¼	204	123	113
Do. pref.	7	6.27	111½	109½	110	111	8	116	109½
Shawinigan	8	4.76	170	168	170	170	251	171½	167½
South Can. Power, com	2.00	2.22	90	90	90	88	35	90½	83
Do. pref.	6	5.94	101	101	101	101	50	101	100
Transportation—									
Can. Pacific Rly.	10	6.34	163	156	157½	163	879	168	147
Can. Steamships. com.		....	11½	11	11½	11⅛	370	18¼	11
Do. pref.		....	63½	60	62¾	62	3969	65	56
Tractions—									
Barcelona		....	28½	27¾	28½	28	345	29	27
Brazilian, com.	5	5.40	95½	91⅜	92	94¾	66305	96¾	80
Do. pref.	6	6.10	..	..	..	..	..	98½	97½
Detroit Un. Rly.		....	3	3	3	3	50	3¼	3
Duluth-Superior		....	30¾	29½	29¾	29	104	31½	29
Montreal Trams	10	5.74	174	174	174	175	26	178	174
Ottawa-Traction	4+1	7.60	65¼	64¾	65	63½	65	65¼	63
Porto Rico Rlys., com.		....	41	41	41	41	10	41½	40
Do. pref.		....	90	89	90	87	35	90	87
Twin City, com.	4	5.19	78½	76	76½	78	1830	79½	74⅜
Winnipeg Elec., com.	1	....	53	50¾	51	51½	3679	54⅜	46½
Do. pref.	7	7.14	98	96¾	98	97¼	145	98	95
Textiles—									
Can. Conn. Cotton, pref.	4	....	47⅛	47½	47½	47	50	49	46¾
Can. Converters	7	7.44	94	94	94	94	385	94	92
Can. Cotton, com.	8	6.50	..	..	..	..	..	124	121
Do. pref.	6	6.03	99½	97½	97½	97½	25	99½	95
Can. Woollens, pref.		....	50	50	50	50	25	50	50
Dom. Textile, com.	5	5.40	93½	92	92½	93½	456	95½	91½
Do. pref.	7	5.73	122	122	122	122	15	122	119
Monarch Knitting, pref		....	47½	47½	47½	45⅛	10	50	45⅛
Montreal Cottons com.	6	5.71	105	105	105	105	3	105	103½
Do. pref.	7	6.11	114½	114½	114½	114⅛	3	114½	112
Penmans, com.	8	4.30	186	185	185	185½	116	186½	180
Do. pref.	6	5.82	..	..	..	..	..	104¼	103
Wabasso Cotton	4	6.15	..	..	..	..	..	65	65
General Industrials—									
Amer. Salesbook, com.	4	5.71	70	69	70	69½	95	70	64
Do. pref.	7	7.36	95⅛	94	95⅛	94	15	95⅛	92
Asbestos Corp. com.	6	6.52	93	91	92½	93½	856	94½	88⅛
Do. pref.	6	5.17	116	114	116	115½	1178	116	113
Brantford Cordage, pref.	8	7.54	27	26½	26⅛	26½	328	27½	26
Burt, F. N., com.	12	4.68	65	62	63¾	65¼	1063	67	61
Canada Cement, com.	6	5.60	107¼	106	106½	106	2970	107¼	101¾
Do. pref.	7	6.04	118	115¾	118	119½	136	120	115½
Cons. Rubber, pref.	7	8.09	..	..	..	..	..	86½	86½
Can. Indust. Alcohol	1.28	6.40	20	17¼	20	17¼	22664	20	16¼
Crows Nest Coal	6	7.54	85	71	71	81	1055	85	51
Dom. Glass, com.	7	7.36	95	94	95	93½	730	95	85
Do. pref.	7	6.57	..	..	..	..	..	106½	106
Eastern Theatres, com		....	25¼	23	25¼	25¼	327	25¼	18¾
Do. pref.	7	8.43	..	..	..	..	..	83	83
Gilman, com.	6	5.71	105	105	105	105	30	106	105
Do. pref.	7	6.14	114	114	114	114	25	114½	113½
Goodyear Tire, pref.	7	7.21	97	95¾	97	95¾	130	97	93½
Holt Renfrew, pref.	7	8.18	..	..	..	..	..	85½	85½
Lyall Construction		....	40	34	36½	33½	2410	40	20
NationalBrew., com.	4	6.17	64¾	60	63	60	31306	64¾	56
Do. pref.	7	6.36	110	108	108	106	276	110	106
National Brick, com		....	..	..	..	..	..	12½	12½
Do. pref.	7	10.21	68½	68½	68¼	69	1	71½	67½
Pacific Burt, com.	6	5.82	103	100¾	103	102¾	230	103½	90⅜
Do. pref.	7	6.42	109	109	109	109½	4	109¾	102
Port Hope Sanitary, com		....	85	85	85	80	10	85	74½
Rogers, Wm., com.		....	61	59	61	63	287	63	45
Do. pref.	7	7.36	95	94	94½	93½	35	95	90¼
Sherwin-Williams, com.	6	4.56	131½	129	131½	128⅛	240	131½	128⅛
Do. pref.	7	6.14	114	113½	114	110½	35	114	110½
Sterling Coal	4	....	39	39	39	39	15	39	37
Tuckett Tobacco, com	4	6.15	..	..	..	..	..	65	65
Do. pref.	7	6.79	103	103	103	102¼	10	103	102
Woods Mfg., com.		....	38	38	38	39½	5	41	38
Do. pref.	7	8.86	79	79	79	79	5	79	77¾
Trust and Loan—									
Canada Landed	10+1	5.61	98	98	98	98	15	100	95
Can. Permanent	12	5.88	204	203	204	204	60	205	202½
Colonial Invest.	6	....	..	..	..	..	..	4	4
Hamilton Prov.	10	6.36	..	..	..	..	..	157	157
Huron & Erie	7	5.38	..	..	..	..	..	130	127½
Landed Banking	9	6.16	..	..	..	..	..	..	..
Central Can. Loan	12	5.71	210	210	210	..	10	210	210
Montreal Loan	12+1	6.50	..	..	..	..	..	50	50
National Trust	12	5.00	240	240	240	240	4	240	235
Ontario Loan	11	5.23	..	..	..	..	..	105	103½
Real Estate Loan	7	8.23	..	..	..	..	..	..	..
Toronto Gen. Trusts	12	5.83	..	..	..	..	..	225	225
Toronto Mortgage	10+1	5.88	..	..	..	..	..	93½	93½
Union Trust	7	7.77	..	..	..	..	..	..	..

THE CURB MARKET

	Div. Rate	Yield Feb. 8	High for wk.	Low for wk.	Close Feb. 9	Close Feb. 2	Sales for wk.	Range 1926 High	Range 1926 Low
Asbestos, com. (new)		....	22	22	22	23	55	24½	20
Do. (new)		....	64	64	64	62	100	70	62
Brit. Amer. Oil	8+2	4.80	52	51½	51½	52	1229	53½	50
Can. Oil, com.	1¼	....	65	65	65	67	100	74	65
Continental Oil	25c	1.04	24	23⅜	24	24	191	26	23½
Dryden Power		....	7½	7	7	7½	230	7¾	6
East Engineering		....	1.50	1.50	1.50	1.50	1.50	1.50	1.00
Good. & Worts	6	2.60	240	215	240	205	80	240	193
Imperial Oil	1.00	2.70	37¼	36¼	36⅜	37	2732	38½	35¼
Inter. Petroleum	75c	2.27	35½	33⅛	34¼	34	1362	35½	31⅛
Manitoba Power		....	41	39½	39½	42	115	42	24
Power Corp.		....	28¼	27	27	28	576	28¼	24½
North Star Oil, pref.	7	....	4.70	4.70	4.70	4.75	100	4.75	4.50
Simpsons, pref.	6	5.88	102	101	102	101	14	102	101
St. Maur. Power		....	77	77	77	77	116	78	77
Toronto R. S.		....	1.30	1.25	1.25	1.35	900	1.35	1.10
Volcanic Oil	62c	....	..	..	..	..	..	29	28¾
English Elec.		....	15	15	15	..	6	15	15
Beacon Oil		....	19	18¾	18¾	19	935	19½	18¾
North Mex. Power		....	50	50	50	51½	145	55	50
Do. pref.		....	85	85	85	..	60	85	85
Paton Mfg., com.		....	55	55	55	..	110	55	55
Illinois Power, pref.		....	96¾	96¾	96¾	96¾	10	96¾	96
St. Law. Power		....	46½	37	43	36¾	260	46½	36

UNLISTED SECURITIES

	Bid	Asked
Brooks Steamer (1 pref, 2 com.)	4	6
Can. Machinery, com	3½	5
Can. Machinery, pref.	12	16
Can. Westinghouse, com.	157	165
Cockshutt Plow, pref.	56	58½
Cosgrave Brewery	5½	6
Dom. Combing (1 pref, 2 com.)	33	..
Dom. Power, pref.	93	96
English Electric, com.	14½	16½
English Electric, pref.	59	62
Gunns, Ltd., pref.	39	41½
Godfredson Truck, com.	24	26
Imperial Tobacco	6	7
King Edward Hotel, Deb. A	74	77
King Edward Hotel, Deb. B	56	59
K. & S. Tire, pref.	11	14
Loew's Toronto, com.	25	30
Loew's London, com.	2½	3
Loew's Ottawa, pref.	10	..
Massey-Harris	68	71½
Mount Royal Hotel, com.	7	..
Mount Royal Hotel, pref.	38	41
North Mexico Power, com.	50	53
R. Simpson, pref.	100½	102
Willard's, pref.	71	74
Loblaw Groceterias, com.	54½	57
Capital Life 25% Paid	21½	25
Continental Life 20% Paid	32	..
Crown Life	120	..
Empire Life	22	25
Excelsior Life 25% Paid	40½	..
Great West Life	350	..
Imperial Life	185	..
Monarch Life 10% Paid	16	22
Manufacturers Life 20% Paid	86	..
Montreal Life 20% Paid	28	..

THE CANADA PERMANENT TRUST Co

20 Toronto St., Toronto
Paid up Capital $1,000,000

Acts as
Executor, Trustee
and Agent.

You are invited to confer with the Officers of the Company.

OUR 1925 RECORD

During 1925 the ONTARIO EQUITABLE made outstanding gains, shown by the following comparisons:

	1924	1925
Admitted Assets	$1,866,225	$2,352,391
Policy Reserves	1,379,915	1,778,280
Premium & Interest Income	736,416	856,916
New Insurance	6,656,745	8,219,374

Insurance in Force now Totals $29,617,016

The year's operations showed good results in all the factors which constitute a successful record. The rate of Interest Earned increased; Surplus increased; Mortality was only 40.6% of the expected; Terminations decreased; and the New Business gain was at the rate of 23%, a considerable advance over the Canadian average gain of about 7%.

THE ONTARIO EQUITABLE
LIFE & ACCIDENT INSURANCE COMPANY
S. C. TWEED, President
HEAD OFFICE - WATERLOO, ONTARIO

The Protective Association of Canada

Head Office - - GRANBY, P.Q.

BALANCE SHEET
as at 31st December, 1925

ASSETS

Cash in Bank and on Hand................	$ 48,756.81	
Cash in Agents' hands for Travelling Expenses	219.09	
		$ 48,975.90
Agents' Net Balances for Outstanding Premiums......		9,984.59
Bonds and Debentures at Book Value.......	$205,578.91	
Accrued Interest	2,034.23	
		207,613.14
Office Furniture		1,640.54
		$268,214.17

LIABILITIES

Claims Outstanding — known or reported, proof not fyled:		
Accident	$ 14,458.20	
Sickness	14,551.13	
		$ 29,009.33
Accrued Salaries		2,225.01
Reserve for Taxes		6,500.00
Reserve for Unearned Premiums—100%...........		86,948.96
Capital Stock:		
Authorized	$50,000.00	
Issued—fully paid		50,000.00
Profit and Loss Account:		
Balance per Statement attached...............		93,530.87
		$268,214.17

E. E. GLEASON,
General Manager.

J. G. FULLER,
Secretary.

Audited and found correct.—ROBSON, RITCHIE & CO.

PORT ALFRED PULP & PAPER CORPORATION

HEAD OFFICE:
INSURANCE EXCHANGE BUILDING
MONTREAL, P.Q.
Mills at PORT ALFRED, P.Q.

Canadian Paperboard Company Limited
Largest Manufacturers of Paperboard in Canada.
Mills at Montreal, P.Q., Campbellford, Ont., Frankford, Ont.
HEAD OFFICE: 2 Seigneurs Street MONTREAL

The Laurentide Company
Limited

Manufacturers of
Ground Wood - Sulphite Pulp
Wood Boards and Newsprint Paper

GRAND'MERE - QUEBEC

The Wisdom of the Ancients is a lesson for to-day

IN stone, the ancients carved their laws and important documents. Many of those have been handed down unharmed by the elements to this very day.

We ourselves have followed their wise examples. Names we want to endure are engraved indelibly on stone or metal.

Modern business, however, does not permit the use of stone or metal. Bonds, contracts, wills, insurance policies, cheques, prospecti — important documents that are subject to much handling, must be printed on a surface that endures. Cracks and creases that may obliterate a single line might cause confusion, loss, expense or court action.

Herein lies the special adaptability of SUPERFINE LINEN RECORD — Canada's finest all-rag bond paper since 1882. It has a business-like feel and crackle—a surface that does not crack. Especially suited for important documents. Your printer will highly recommend SUPERFINE LINEN RECORD.

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Mills at St. Jerome and Mont Rolland, P.Q.

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Pulp and Paper

SAGUENAY PULP HAS A DIFFICULT PROBLEM TO FACE

What Will Preferred and Common Shareholders Receive?

From Our Own Correspondent.

MONTREAL.—The shareholders of the defunct Saguenay Pulp and Power Company have a knotty problem to solve. It will be remembeerd that the Quebec Pulp and Paper Mills acquired the assets of this company as well as those of Chicoutimi Pulp Company through the failure of both companies to meet their bond interest requirements. In order to avoid the expenses incidental to foreclosure proceedings on the Saguenay Pulp and Power properties, the bondholders of the latter, in forming the Quebec Pulp and Paper Mills, decided to give the shareholders stock in the new company. The Saguenay Company at present then is merely a holding company whose only asset is a certain amount of stock in the Quebec Pulp and Paper Mills.

Due to legal technicalities in the conveyancing of the many properties to the Quebec Pulp and Paper Mills, this company has not yet been able to distribute its securities; however, all the legal requirements should be settled shortly and, when the stock is distributed, 7,850 shares of common stock will go to the Saguenay Pulp and Power Company.

The Company's Situation

The Saguenay company has 78,500 shares outstanding; 43,500 common and 35,000 of preferred. For every ten shares outstanding, this company now owns one share in the Quebec Pulp and Paper Mills. Will this stock be distributed to all the shareholders in the ratio of one new for ten old?

The answer depends on the attitude of the preferred shareholders of Saguenay. If these shareholders feel they are entitled to all the stock in the new company, the common shareholders of Saguenay may decline to wind up the company. In which case, the preferred shareholders would probably have to wait, possibly many many years, before their holdings would have any market valuation whatever.

On the other hand the preferred shareholders might decide to share and share alike with the common shareholders; should they decide to do this, the old company could then be liquidated and the preferred shareholders would receive stock in the ratio of possibly one for ten, the new securities, of course, would be marketable. Just what the attitude of the preferred and common shareholders of the old company will be, it is, of course, impossible to ascertain.

It might appear at first sight that the preferred shareholders of the ill-fated company would certainly be justified in demanding all the assets —but the common shareholders may feel that as the holders of the 7 per cent. collateral trust bonds of the defunct company lost the greater part of their investment, the receipt of the 7.850 shares in the Quebec Pulp and Paper Mills was really in the nature of a gift by the first mortgage bond holders and, as such, should be distributed equally amongst the shareholders. In other words, had foreclosure proceedings been instituted, neither the preferred nor the common shareholders would have received any consideration whatever, consequently, as it was the votes of the common shareholders which really accepted the offer from the Quebec Pulp and Paper Mills, the common shareholders may feel they are entitled to some consideration.

Pulpwood Association Has Successful Year

From Our Own Correspondent.

MONTREAL.—At the annual meeting of the Canadian Pulpwood Association held in Montreal, Angus McLean of the Bathurst Company was re-elected president for the ensuing year. The vice-presidents of the association are A. G. Auger of Quebec, Ralph P. Bell, of Halifax, and James Thompson, of Toronto.

The new president of the association is the largest manufacturer of paper in the Maritimes, a member of the executive of the Canadian Pulp and Paper Association and a past president of the Canadian Lumbermen's Association.

In presenting a resume of the activities of the association during the past year, Mr. McLean emphasized the success which had attended its efforts to educate public opinion to a proper appreciation of the more important factors involved in the question of an embargo, an export tax, or other restrictive legislation which has occupied public attention to such an extent during the past year or two.

Mr. McLean expressed the belief that in the Province of New Brunswick, in which he was particularly interested, an embargo would literally ruin thousands of individuals; there was no necessity for any such legislation, and large quantities of pulpwood were to-day rotting because there was not a sufficiently wide market for the product, even with free access to the American mills.

The Canadian Pulpwood Association now consists of 85 active members and 14,000 associate members. The former are executives of firms engaged in various pulpwood operations, whilst the latter are individual holders of timber land in Ontario, Quebec, New Brunswick and Nova Scotia.

More Newsprint Being Used Than Ever Before

The decline of $5 a ton in the price of newsprint will cost Canada no less than $15,000,000 in 1925, say O'Brien and Williams. Among the newsprint men there is weeping and wailing every time they think of this decline which might have been avoided, or at least postponed, with a little co-operation. So far newsprint is going strong. In one week, this month, more paper was used by the New York newspapers than in any other week in the history of the newspaper business. It was the week of the automobile show and the motor car people spread themselves advertising their wares. In Florida, some of the newspapers, under stress of real estate advertising are at their wits' end to keep pace with the boom. One Florida paper printed an edition of 500 pages, which, as far as we know, is a record for all time.

Quebec Pulp & Paper Reconstructing Its Dam

From Our Own Correspondent.

MONTREAL. — The Quebec Pulp and Paper Mills is engaged in the work of reconstructing the dam at Lac des Commissaires which was partly destroyed by the floods which took place last December. It will be completed in sufficient time to take care of the spring freshets and in this way conserve, throughout the drier months, the source of energy for one of the company's mills.

Strength in Pulp Markets Forecasts Rising Prices

From Our Own Correspondent.

MONTREAL.—In some quarters there appears to be the expectation of an immediate increase in the price of practically all grades of sulphite and sulphate pulp. However, one of the leading statistical men in the chemical pulp industry told The Financial Post that although the market for all grades of chemical pulps is very strong, and although the general trend in prices is upward, yet he did not expect to see any material price changes until spring.

He said further, that although he could discern many indications of rising prices, he could see no indications of the possibility of any reactions, which, of course, would naturally affect the earnings of the chemical pulp companies. The current spot prices at which the chemical pulps are changing hands is proving encouraging to the manufacturers.

St. Maurice Valley Stock Selling at Around 45

From Our Own Correspondent.

MONTREAL.—Common shares of the St. Maurice Valley Corporation are changing hands on the curb at around 45. This stock was partly distributed as a bonus with the recent issue of preferred shares. From the record of earnings furnished at the time of the formation of the new company, it would appear that earnings applicable to the common stock during the first year of operations should be well in excess of $10 a share. This is presuming, of course, that the Belgo-St. Maurice merger will provide sufficient economies to offset the lower market price at which newsprint is changing hands.

The common stock of the Newsprint Investment Corporation, the parent company of the St. Maurice Valley Corporation, is understood to find a market "on the street" between 20 and 25.

BELGO SHARES MARKETED

MONTREAL. — At the time of the merger of the St. Maurice Paper Company and the Belgo-Canadian Paper Company, the latter sold an additional issue of $1,000,000 of its preferred shares to the investment house of Wood, Gundy and Company. These shares of Belgo are now being marketed to the public.

MORTGAGE COMPANY INVESTS IN BONDS

Little Opportunity for Profitable Mortgage Loans Under Present Conditions

Net income of the Canadian Mortgage & Investment Company at $62,404 for 1925 compares with $63.759 in 1924. A 5 per cent. dividend took $62 250 and $15,150 was reserved for special payments reducing the balance which stood at $20,162 at the end of 1924 to $15,166. Following is a comparative summary of the company's profit and loss record:

PROFIT AND LOSS

	1925	1924	1923
Net income	$62,404	$63,759	$83,996
Bal. forward	30,162	28,641	19,240
	$92,566	$92,400	$103,236
Distribution—			
Dividends	62,250	62,238	74,595
Reserve	15,150	.....	.....
Balance	15,166	30,162	28,641
	$92,566	92,400	$103,236

Eight Years' Earnings

Year	Paid-up Capital	Prof.	Div.	% Prof. Av. Cap.	Earn. Rate
1925	$1,245,000	$62,404	5	5.0	3.8
1924	1,244,766	63,759	5	5.1	3.9
1923	1,243,262	83,996	6	6.7	4.8
1922	1,243,740	91,656	6	7.3	5.1
1921	1,242,022	89,094	6	7.1	5.0
1920	1,239,586	96,056	6	7.7	5.6
1919	1,235,954	81,538	6	6.6	5.0
1918	1,231,630	101,549	6	8.3	6.0

On behalf of the directors Britton Osler, vice-president, states that efforts have been made to make collections of all loans in default and to sell foreclosed real estate. Attention is drawn to the fact that as shown in the balance sheet foreclosed real estate has been reduced from $194,934 to $171,997. It is hoped that, having regard to the improved prospect in Western Canada and a good crop for 1925, further progress in this direction will be made. The directors have also given close attention to the investments of the company in stocks and bonds and by revising these for the investment of a substantial amount in government bonds listed on established exchanges and payable in gold the income of the company will be increased. All such investments are of a class readily saleable in the event that the mortgage business of the company increases to an extent which may enable it to replace this class of investment with satisfactory loans. Satisfactory loans to a considerable amount have been made in Ontario during the year.

"Alcohol's" Earnings Enough for Dividend

From Our Own Correspondent.

MONTREAL. — It is understood that the earnings of the Canadian Industrial Alcohol Co. for the first quarter of its present fiscal year have been practically sufficient to take care of the dividend requirements for the full twelve months. Indications point to even better business for the company; this would mean that earnings at the close of the fiscal year should be in the neighborhood of between three and four times the dividend requirements.

On the last balance sheet, tnere appeared a bank loan amounting to $1,460,000; this liability, it is said, has been eliminated. Incidentally, the company draws up its balance sheet in a conservative manner and the inventories alone which stood at $2,446,276 in the last balance sheet are estimated to be worth several times this amount.

The shares are much more widely distributed than they were a year ago and the shareholders' list now includes over 2,000 names. This has been one of the factors which prevented much appreciation in stock market prices for some time ago there was a large block of stock overhanging the market.

DOMINION TEXTILE CO., LIMITED
PRUE
MANUFACTURING
ALL LINES OF WHITE AND GREY COTTONS, PRINTS, SHEETINGS, SHIRTINGS, PILLOW COTTONS, LONG CLOTHS, CAMBRICS, DUCKS, BAGS, TWILLS, DRILLS, QUILTS, BUREAU COVERS, TOWELS AND TOWELLING, YARNS, BLANKETS, RUGS, TWINES, NARROW FABRICS
AND NUMEROUS OTHER LINES USED BY MANUFACTURERS IN RUBBER AND OTHER TRADES.
MONTREAL TORONTO WINNIPEG VANCOUVER

The Wabasso Cotton
Company, Limited
THREE RIVERS, P. Q.
Manufacturers of Fine White Cotton, also Spinner's Fine Counts of Yarns

Woods Manufacturing Company, Limited

Jute and
Cotton Bags
Hessians, Buckrams
Paddings and
Twine

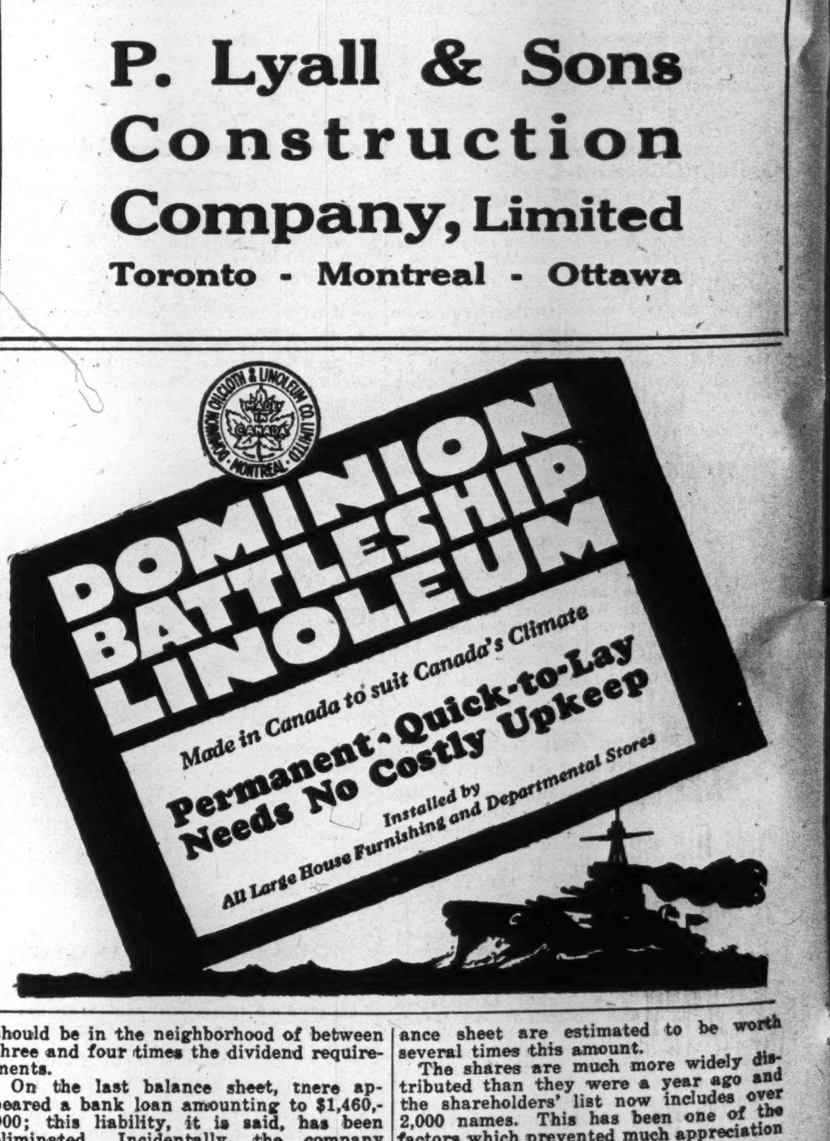
Tents
Flags
Tarpaulins
Clothing and
Cotton Fabrics

FACTORIES AT
MONTREAL, TORONTO, OTTAWA
WINNIPEG, WELLAND

HEAD OFFICE:
MONTREAL

LAKE OF THE WOODS MILLING CO. LTD.
Makers of FIVE ROSES FLOUR
Mills at Montreal, Brantford, Keewatin, Portage la Prairie, Medicine Hat
CAPACITY, 20,000 BARRELS DAILY
President and Managing Director:
FRANK S. MEIGHEN, C.M.G.
Vice-President & Gen'l. Manager:
WM. W. HUTCHISON.
Directors:
W. R ALLAN, R. M. BALLANTYNE, TANCREDE BIENVENU, HON. SIR LOMER GOUIN, K.C.M.G., GEO. V. HASTINGS, WALTER MOLSON, R. W. REFORD, ABNER KINGMAN, J. K. L. ROSS, N. J. BREEN.
Secretary, M. H. HUTCHISON; Treasurer, T. F. McNALLY; Asst. Treasurer, A. C. McMILLAN.

P. Lyall & Sons
Construction
Company, Limited
Toronto - Montreal - Ottawa


DOMINION BATTLESHIP LINOLEUM
Made in Canada to suit Canada's Climate
Permanent · Quick-to-Lay
Needs No Costly Upkeep
Installed by
All Large House Furnishing and Departmental Stores

Public Utilities

QUEBEC POWER CO. HAD GOOD YEAR; OUTLOOK BRIGHT

Gross Income Up Some $134,000—Crosses Million Mark for First Time

From Our Own Correspondent.

MONTREAL.—That the revenues of the Quebec Power Company are showing a steady increase annually was disclosed at the annual meeting this week. The gross income for the first time was in excess of $1,000,000.

After deducting operating expenses, interest and depreciation charges from the gross income, there remained $450,499, as compared with $348,186 in 1924. After payment of the common dividends there remained $44,225, an increase of almost $10,000 over the previous year, which was added to the balance in profit and loss account.

Changes in the company's assets were of a minor character, with the exception of the increase of over $1,000,000 in the investment account, due to the acquisition of the controlling interest in the Laurentian Power Company. Amongst the liabilities a similar increase is noted in the preferred stock outstanding. This stock was sold and the funds used to acquire this subsidiary company.

The depreciation reserve has been increased by $60,000, which is exactly twice as much as was added to this account last year. The profit and loss figures and the working capital figures over the past three years follow:

	1925	1924	1923
Gross inc.	$1,046,943	$ 908,470	$ 544,090
Op. exp.	236,444	230,280	238,296
Balance	$ 810,499	$ 678,186	$ 305,794
Interest	300,000	300,000	100,000
Balance	$ 50,499	$ 378,186	$ 204,891
Deprec.	60,000	30,000	24,000
Net rev.	$ 450,499	$ 348,186	$ 180,891
Pfd. div.	207,665	156,184	76,494
Balance	$ 242,833	$ 192,002	$ 64,395
Com. div.	198,607	157,352	....
Balance	$ 44,225	$ 34,649	$ 64,395
Adjust.	....	....	96,961
Total	$ 44,225	$ 34,649	$ 161,359
Stk. div.	....	....	160,000
Surplus	$ 44,225	$ 34,649	$ 1,357
Prev. surp.	36,006	1,357	....
P. & L. bal.	$ 80,232	$ 36,006	$ 1,357

Working Capital

	1925	1924	1923
Curr. ass.	$1,539,865	$1,441,936	$2,087,247
Curr. liab.	294,774	302,884	197,202
Wk. cap.	$1,245,090	$1,139,052	$1,890,045

The remarks of the president, Julian C. Smith, to the shareholders follow in part:

Early in the year your directors felt it advisable that the customers of the company should have a greater interest in its shares, and offered 7 per cent. cumulative preferred stock under special terms. A campaign was carried out for the sale of this stock, which was a great success. Six hundred and ninety-nine (699) customers took advantage of the offer, subscribing for two thousand four hundred and ninety-six (2,496) shares.

In July your directors had an opportunity of acquiring the controlling interest of the Laurentian Power Company, and in order to finance this franchise, ten thousand (10,000) shares of this company's 7 per cent. preferred stock were sold at par. The balance of the increase in the outstanding preferred and common stocks of the company is accounted for by the exchange of income bonds and common stock of the Quebec Railway, Light, Heat & Power Company. From monies received from the sale of preferred stock, as above indicated, and from available monies in hand your directors were able to provide the necessary funds required for improvements and extensions of properties of your subsidiary company.

In July the company's contract with the city of Quebec, for the lighting of the streets and the parks, expired and your directors are pleased to report that the contract has been renewed for a further period of ten years.

In conclusion, your directors wish to emphasize their confidence in the future of the city of Quebec. The increased earnings of the company during the past year and indications of the growth of the city in the future, endorse their confidence to the fullest degree.

Comment Favorable on Bell Telephone Co.

From Our Own Correspondent.

MONTREAL.—The application of the Bell Telephone Company for higher rates is remarkable in that it has not aroused the public to that wild pitch of excitement which is usually exhibited when any public utility asks for increased rates.

Press comments, on the whole, have been favorable toward the company. There are, of course, minor exceptions, but apparently the public is taking a reasonable attitude and is not immediately jumping to the conclusion that the application is unjustified.

In contradistinction to the howls of rage which ascend on high upon similar occasions, editorial comments have been quite favorable. This probably can be traced to the company's publicity during the past few years which has endeavoured to take the public into the company's confidence and to tell an unbiased story of its operations.

Public Utility Earnings

ALABAMA POWER

Net	1925	1924	Change
December	$ 516,501	$ 409,816+	$ 106,685
12 months	5,372,180	4,325,182+	1,046,998

DULUTH-SUPERIOR TRACTION

4th Quarter	1925	1924	% Inc or Dec.
Gross rev.	$ 495,861	$ 491,582+	.87
Oper. exp.	379,989	396,552—	4.17
Net rev.	115,871	95,030+	21.99
Fixed chgs. & taxes	89,692	70,536+	27.16
Net income	26,179	24,493+	6.88
12 months—			
Gross rev.	$1,905,084	$1,814,761+	4.98
Oper. exp.	1,506,069	1,486,058+	1.35
Net rev.	399,015	328,703+	21.39
Fixed chgs. & taxes	309,643	286,698+	8.00
Net income	89,371	42,004+	112.77

BARCELONA TRACTION

Dec., 1925	1925 Pesetas	1924 Pesetas	Increase Pesetas
Gross earn.	8,085,874	7,642,389	443,485
Oper. exp.	2,749,420	2,237,438	511,982
Net earn.	5,336,454	5,404,951	x68,497
Aggre. gross from Jan. 1	86,915,704	79,706,839	7,208,865
Aggre. net from Jan. 1	56,939,991	51,432,786	5,507,205

x Decrease.

QUEBEC RAILWAY EARNINGS HIGHER

Reduction of Capital Stock Has Put Company on a Sounder Basis

From Our Own Correspondent.

MONTREAL.—Higher earnings are reported in the annual statement of the Quebec Railway, Light, Heat and Power Company for the year ending December 31, 1925. Gross earnings amounted to $2,243,123, being an increase of $110,000 over the 1924 figures. After deducting operating expenses, fixed charges, depreciation, there remained $11,240 to be transferred to profit and loss account. In order to place the company on a sounder basis, since the last annual report was made, the capital stock has been reduced from $10,000,000 to $2,500,000; the assets also reflected this change in the balance sheet.

The profit and loss figures and the working capital figures follow:

	1925	1924	1923
Gross inc.	$3,243,123	$3,133,806	$2,973,004
Oper. exp.	2,194,987	2,156,492	2,100,731
Net op. inc.	$1,048,135	$ 977,314	$ 872,272
Extra exp.	....	....	x123,621
Balance	$1,048,135	$ 977,314	$ 748,651
Fixed chgs.	816,895	712,642	583,282
Balance	$ 231,240	$ 264,671	$ 165,368
Deprec.	220,000	250,000	150,000
Balance	$ 11,240	$ 14,671	$ 15,368
Bond disc.	....	....	12,116
Surplus	$ 11,240	$ 14,671	$ 3,251
Prev. surp.	....	492,189	760,149
Total	$ 11,240	$ 506,861	$ 763,400
Written off	....	....	†279,917
Balance	$ 11,240	$ 506,861	$ 492,189
Extra exp.	....	‡83,001	....
Balance	$ 11,240	$ 423,859	$ 492,189
To dep. res.	....	423,859	....
P. & L. bal.	....	....	$ 492,189

xExtraordinary repairs and expenses in 1923.
†Depreciation and adjustments applicable prior to January, 1924.
‡Extraordinary repairs and expenses, applicable prior to January, 1924.

Working Capital

	1925	1924
Curr. assets	$710,580	$748,228
Curr. liabs.	723,091	607,231
Work. cap.	x$12,511	$140,996

x—Debit.

In his remarks to the shareholders, the president, Julian C. Smith, says in part:

"During the year, $518,000 of the company's 7 per cent. general mortgage bonds have been sold, and the proceeds applied to the necessary construction and betterments.

"In accordance with plans prepared in 1923, additional extraordinary repairs and improvements to the property in general were made during the year, and further betterments to the system are contemplated.

"In addition, your directors have under consideration the buildings of new workshops. As the present shops are small, old and inefficient, it is felt that by putting this project into execution, economies and better operation will result."

"FAMOUS PLAYERS" STOCK TO BE LISTED

Company's Earning Power Should be Increased by Completion of Extension Program

From Our Own Correspondent.

MONTREAL.—The first preference and common shares of the Famous Players Canadian Corporation will shortly be called for trading on both the Montreal and Toronto Stock Exchanges. The company was organized in 1919 and owns a franchise for the production rights of the films of Famous Players-Lasky and its subsidiaries. This latter company is the predominant motion picture producer and theatre operator in the United States.

The growth of the Canadian company over the last five years is seen in the accompanying figures:

Year Ended August	Maximum Theatres In Operation	Total Gross Receipts
1921	26	$2,018,400
1922	27	2,656,838
1923	37	3,363,820
1924	48	4,058,815
1925	56	4,280,436

Company's Capitalization

The outstanding capital of the company consists of $960,000 of 6½ per cent. first and general mortgage bonds; $4,150,000 of 8 per cent. cumulative first preferred shares; $1,000,000 of 8 per cent. cumulative second preferred shares, and $7,500,000 of common shares.

Bonds to the amount of $1,000,000 were issued in 1923, the proceeds being used to reduce purchase money mortgages on theatres, and for general working capital purposes. Up to August 29, 1925, $40,000 of the bonds had been retired by sinking fund.

$4,000,000 of 8 per cent. first preferred was issued in 1920, the proceeds being used to finance in part the construction, purchase or leasing of a chain of theatres in principal Canadian cities. The remaining $150,000 of 8 per cent. first preferred now outstanding was issued in 1923 in part payment for the assets of Allen Theatres, Limited.

The company's dividends on the second preference shares have been in arrears since November, 1920. The earnings at the close of the last fiscal year applicable to the first preferred stock amounted to $413,169 and the dividend requirements were $332,000.

Between the years 1920 and 1922 the company was in a constructive stage and in addition it was handicapped through the widespread business depression which prevailed at that time.

The outlook for the future is improved as, despite these adverse conditions, the company has always been able to meet its first preferred dividends and also has continued to expand through the acquisition of other theatres which, through the business depression, it was able to purchase at moderate figures. The company has practically completed its building and expansion program and for the future should be able to take better advantage of its assets. There has developed recently a larger market for the shares, due, possibly, to the fact that earnings during the current year are understood to be at a higher level than prevailed during the last fiscal year which ended August, 1925.

Construction

CEMENT WORKING CAPITAL HIGHER; INVESTMENTS UP

Successful Year With Investments Increased by Half Million Dollars

MONTREAL.—The annual financial statement of the Canada Cement Company for the year ending December 31, 1925, shows that the company, as usual, experienced a good year; there was a slight increase in the total income, after allowing for depreciation, and the working capital position showed an improvement even over 1924.

As is customary with this company, there was a large margin of profit over dividend requirements but, as usual, this margin was written off into various reserves, which left a surplus of only $89,977 for the year.

The fire insurance reserve has once again been started and $150,570 were credited to this account. The most striking difference between the present exhibit and that of the preceding year is the decided increase in the company's liquid position; there is a working capital of $9,574,523, being an increase of over $1,500,000 since the close of 1924. The provision for depreciation during the year amounted to $1,543,233.

Changes in the balance sheet include the writing down of plant from $24,661,992 to $23,305,222. Investments have been increased by about $500,000 during the year, whilst inventories are slightly lower. The striking change amongst the liabilities is the disappearance of the $1,000,000 bank loan shown in 1924 as being secured by government bonds. There is little change noted elsewhere.

The profit and loss, and the working capital figures during the past three years compare as follows:

	1925	1924	1923
xIncome	$2,344,006	$2,205,590	$2,235,438
Bond. int.	307,459	326,190	343,592
Bal.	$2,036,547	$1,879,400	$1,891,846
Fire ins. sur.	....	....	40,454
Bal.	$2,036,547	$1,879,400	$1,851,392
Cont. res.	200,000	210,000	190,000
Bal.	$1,836,547	$1,669,400	$1,661,392
Fire ins. res.	150,570	....	....
Bal.	$1,685,977	$1,669,400	$1,661,392
Extra res.	40,000	40,000	40,000
Bal.	$1,645,977	$1,629,400	$1,621,392
Ind. acc. res.	11,000	23,500	24,000
Net profit	$1,634,977	$1,605,900	$1,597,392
Pfd. divs.	735,000	735,000	735,000
Bal.	$ 899,977	$ 870,900	$ 862,392
Com. divs.	810,000	810,000	810,000
Surplus	$ 89,977	$ 60,899	$ 52,392
Prev. surp.	1,266,450	705,550	653,158
Bal.	$1,356,427	$ 766,449	$ 705,550
From F.I.S.	....	500,000	....
P. & L. bal.	$1,356,450	$1,266,449	$ 705,550

x After depreciation.

Working Capital

	1925	1924	1923
Invest.	$7,739,741	$7,242,023	$5,626,432
Curr. assets	3,426,099	3,179,921	3,716,768
Totals	$11,165,840	$10,421,944	$9,342,768
Curr. liabs.	1,591,317	2,365,269	1,743,921
Work. cap.	$9,574,523	$8,056,675	$7,598,847

The president, F. P. Jones, in his remarks to the shareholders, says in part:

"The total consumption of cement in Canada in 1925 was 3 per cent. less than it was in 1924, and does not exceed 80 per cent. of pre-war consumption. Export business, however, showed a very gratifying increase, enabling your mills to operate approximately 50 per cent. of their capacity.

The sales tax, which of necessity must multiply before it reaches the consumer, is very detrimental to new construction; we trust that conditions in the near future will permit the abolishment of this tax.

There is no question but that Canada's purchasing power in 1926 will be considerably greater than it has been for some years, due to good crops, the prices received for same, and the large increase in Canada's export business. This increased purchasing power and the hoped-for abolishment of the sales tax should result in an increased demand for your product.

The policy of your company to reduce the price of cement when circumstances permit has been followed and this policy it is our intention to continue.

Your mills have been well maintained, are efficient and economical.

Your company's income during the past year, derived from sources other than the manufacture and sale of cement, shows a gratifying increase, reaching the sum of $44,762, and there is every prospect of your income from these sources continuing to increase.

INTEREST IN LYALL

MONTREAL.—There has been a revival of interest in the shares of the P. Lyall Construction Company, due, no doubt, to the fact that earnings are said to be a little better than a year ago when 3.27 per cent. was earned on the common stock. After eliminating the assets for goodwill and patent rights on the company's balance sheet, there remains an equity behind the common stock of around $22.

Said Hearst, Music Publisher Nephew of William Randolph

WINNIPEG.—That he had been told by a Hearst salesman named Rodgers that Hearst was worth seven or eight million dollars and was a nephew of William Randolph Hearst, millionaire newspaper proprietor, was the interesting statement sworn at the provincial police court, when Lew Shallet, was called as a witness at the preliminary hearing of charges of fraud and theft against Joe X. Hearst, the music publisher.

Hearsts' millions, according to Rodgers, witness said, were the result of lucky oil strikes whose wells day and night were "gushing" with great profusion and regularity.

GIFT TO UNIVERSITY

MONTREAL.—McGill University has announced the gift of a special research scholarship of $1,000. The gift was made by Percy Cowans, of the brokerage firm of McDougall and Cowans. It is to be used in carrying out special medical research work this year.

Independent Report

We are glad to render independent reports on investments made in British Columbia by non residents.

Our experience covers the life of this province, and we are familiar with all legitimate investments here such as shares or bonds, mortgages, real estate, etc.

Pemberton & Son
Financial Agents
418 HOWE STREET
Vancouver, Canada

ART IN METAL

Mitchell Metalcraft is known throughout Canada for its beauty and expert workmanship. Skilled hands bring out a pleasing contrast of natural metal colouring.

In our leading banks, financial houses and public buildings it lends a tone of dignified quality to the service it renders.

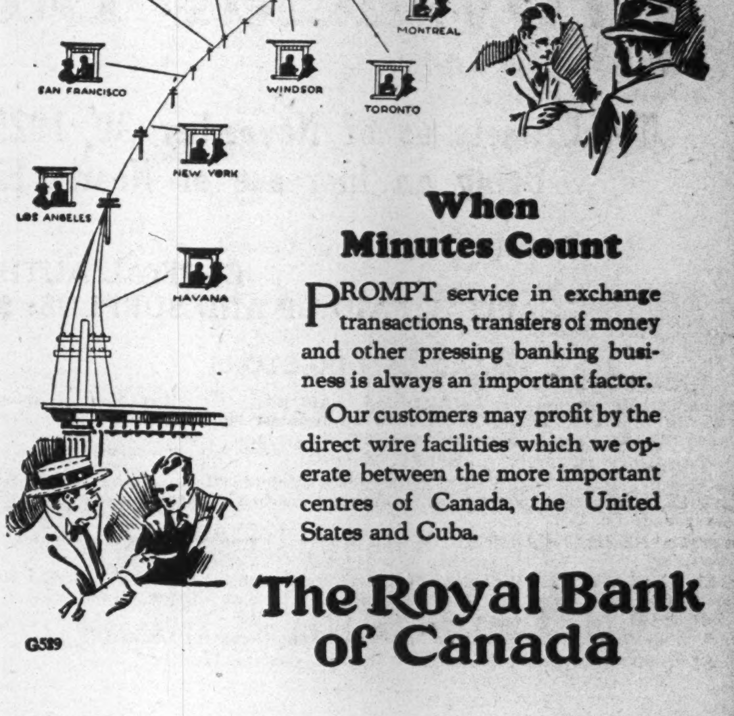
THE ROBERT MITCHELL CO., LIMITED
MONTREAL

1926 MITCHELL METALCRAFT 75th YEAR JUBILEE YEAR

Architectural Bronzes
Bronze and Brass fixtures
Hammered and Wrought Iron
Frink Lighting Equipment
Metal Signs and Shields

When selecting a Trust Company as an Executor, choose one whose fixed policy is to give
Financial Assistance
to Estates being administered by it
PAID UP CAPITAL AND RESERVE $1,259,430.36
The Imperial Canadian Trust Co.
Executor, Administrator, Assignee, Trustee, Etc.
Head Office, Winnipeg.
Branches: Saskatoon and Calgary.

GOVERNMENT, MUNICIPAL, CORPORATION BONDS
Bought and Sold
Maritime Province Issues are of particular interest to us.
Correspondence invited.
"We cover the Maritimes"
EASTERN SECURITIES Company Limited
St. John, N.B. Halifax, N.S.
Charlottetown, P.E.I.



When Minutes Count

PROMPT service in exchange transactions, transfers of money and other pressing banking business is always an important factor.

Our customers may profit by the direct wire facilities which we operate between the more important centres of Canada, the United States and Cuba.

The Royal Bank of Canada

The Western Empire Life Assurance Company

Head Office: 701 Somerset Bldg., Winnipeg, Man.

Comparison, Showing Growth in Last Seven Years

	Assets	Prem. Income	Interest	Insurance in Force
1918	$ 410,415.46	$ 84,782.07	$17,765.29	$3,801,063.00
1925	1,020,609.98	200,194.42	49,483.41	7,616,321.00

Protection for Policyholders

Assets over 99% Interest earning	$1,020,609.98
Reserve for Protection of Policyholders	717,855.00
Policyholders' Surplus	235,174.22
Amount on Deposit with Governments	220,440.74

Paid to Policyholders and Beneficiaries since commencing business .... $ 253,174.86

DIVIDENDS TO POLICYHOLDERS

EXAMPLE:

FIRST FIVE-YEAR DIVIDEND

Policy No.	Amount	Plan	Age	Premium	Cash Dividend	5 Yr. Prem. Reduction
229	$10,000	Ord. Life	33	$257.50	$200.00	$46.50
SECOND FIVE-YEAR DIVIDEND						
229	$10,000	Ord. Life	33	$257.50	$278.71	$60.92

WILLIAM SMITH, President.
F. C. O'BRIEN, Secretary-Treasurer.

The Sovereign Life Assurance Company of Canada

HEAD OFFICE :: WINNIPEG

BALANCE SHEET AS AT DECEMBER 31st, 1925

ASSETS

Bonds, Debentures and Debenture Stocks (ledger value)	$1,387,984.38
Railway Stock (ledger value)	13,400.00
First Mortgages on Real Estate	1,066,234.01
Real Estate Owned	184,370.75
Loans on Policies secured by Reserves	440,498.61
Cash in Banks and at Head Office	29,622.31
Net Outstanding and Deferred Premiums (Less cost of collection)	117,694.42
Interest Outstanding	52,209.45
Interest Accrued	59,716.14
	$3,351,730.07

(The Market Value of Bonds, Debentures and Stocks authorized by Dominion Government as at December 31st, 1925, is $98,400.02 in excess of the Ledger Values taken credit for above)

LIABILITIES

Net Reserve under Assurance and Annuity Contracts, including value of Supplementary Contracts	$2,611,943.00
Death Claims awaiting settlement	14,315.75
Policyholders' Funds left with the company	15,753.81
Policyholders' Dividends due and unpaid	3,074.68
Premiums Paid in Advance	7,861.73
Interest Paid in Advance	11,368.16
Sundry Accounts (including Accrued Taxes, payable 1926, $12,300.56)	15,516.46
Shareholders' Account	13,628.12
Capital Stock Paid Up	209,995.60
Provision for Contingent Profits under Deferred Dividend Policies	101,330.00
Provision for Profits to Policyholders not included above	50,000.00
Special Funds: Investment Reserve	94,949.32
Contingency Reserve	40,000.00
	$3,190,236.03
Surplus to Policyholders above Capital, Special Reserves and all other Liabilities	161,494.04
	$3,351,730.07

LEADING FEATURES OF THE 1925 STATEMENT

Business in Force	$18,819,050.00
Cash Income	840,224.86
Payments to Policyholders	292,716.97

Favorable Mortality—The death claims for the year were only 41 per cent. of the expected, thus continuing the Company's favorable experience in this respect.

Interest Rate—The rate of interest earned on the invested funds was 6.87 per cent. The investments were maintained in the following proportions: Bonds and Debentures—mostly Government and well selected Municipal issues—44.9 per cent.; First Mortgages 34.1 per cent.; other investments 21 per cent.

Surplus Earnings—These were the largest in the Company's history. This result was made possible by keeping down operating expenses, by careful selection of risks and resultant low mortality, and by the satisfactory rate of interest earned on investments. The general surplus carried forward from 1925 is $161,494.04, but as regards security to Policyholders the surplus is in reality much larger. The market value of Bonds and Debentures over book value of $98,400.02, Special Reserves for Policyholders' benefit of $50,000 and Contingency Reserve of $40,000. (Neither of which are in any sense legal liabilities) might also have been added and would have increased the surplus to $349,894.06. In addition to this the Company carries as definite liabilities an amount of $101,330.00 for accruing dividends on policies, and $94,949.32 for investment reserve.

ANNUAL REPORT 1924-25

Provincial Bank of Canada

Total Assets as of November 30, 1925—Over Forty-Five Millions of Dollars—Being an Increase of Nearly Five Millions on Last Year's Figures

CAPITAL AUTHORIZED: $5,000,000.00

CAPITAL PAID UP AND SURPLUS: $4,500,000.00 (as at November the 30th, 1925)

BOARD OF DIRECTORS

President: Honorable Sir HORMISDAS LAPORTE, P.C., President "Laporte-Martin Limitee"; President "Societe d'Administration Generale"; Vice-President "Credit Foncier Franco-Canadien."

Vice-President: Mr. W. F. CARSLEY, Montreal.

Vice-President: Mr. TANCREDE BIENVENU, Director "Lake of the Woods Milling Co."; Director "Credit Foncier Franco-Canadien"; Local Trustee "Guardian Assurance Co. Ltd."

Honorable NEMESE GARNEAU, M.L.C., Quebec, President "Les Prevoyants du Canada."

Mr. EMILIEN DAOUST, President "Librarie Beauchemin Limitee"; Montreal Harbour Commissioner; President "L'Ecole des Hautes Etudes Commerciales de Montreal."

Mr. S. J. B. ROLLAND, President "Rolland Paper Company Limited."

Mr. ALPHONSE RACINE, President "Alphonse Racine Limited."

BOARD OF CONTROL FOR SAVINGS DEPARTMENT

President: Honorable N. PERODEAU, Lieutenant-Governor for the Province of Quebec.

Vice-President: Honorable E. L. PATENAUDE, P.C., Director "L'Alliance Nationale"; Director "l'Universite de Montreal."

Honorable PAUL TOURIGNY, M.L.C., Member of the Provincial Agricultural Council; President "Victoria Clothing Limited," Victoriaville, P.Q.

HEAD OFFICE

TANCREDE BIENVENU, General Manager.

C. A. ROY, Assistant General Manager.

J. A. TURCOT, Secretary.

L. F. PHILIE, Assistant General Manager.

J. E. ST-ANDRE, Acting Chief Inspector.

ONE HUNDRED AND THIRTY-THREE BRANCHES

IN THE PROVINCES OF QUEBEC, ONTARIO, NEW BRUNSWICK AND PRINCE EDWARD ISLAND.

REPORT SUBMITTED BY THE BOARD OF DIRECTORS AT THE GENERAL ANNUAL MEETING OF THE SHAREHOLDERS, HELD ON THE THIRD DAY OF FEBRUARY, ONE THOUSAND NINE HUNDRED AND TWENTY-SIX

Gentlemen:—

In conformity with the Bank Act, we submit to you to-day our General Statement and Profit and Loss Account for the year 1924-25, ended on the 30th of November last. This is the 25th statement since the foundation of the Bank.

In former Annual Statements, we referred to the unfavorable influence of the world crisis on business generally, due to the happenings in Europe since the war; we are now pleased to state that the agricultural situation, the economic basis of the country, has been generally satisfactory during the last year, and that commercial and industrial business in consequence has felt the benefit.

Provided that taxes be not increased, that on the contrary an effort be made to reduce them, and that in future the balance of budgets be assured by the diminishing of expenditures, with a view of meeting the lower rate of interest on capital sums invested, which is increasingly felt since some years, we may look confidently to the future.

The Federal Board of Statistics gives a preliminary estimate of the total value of the principal harvests of 1925 throughout Canada, and according to their statement, the value amounted to $1,112,691,000, as compared with $995,235,000 for 1924, and $899,226,200 in 1923. As you are aware, your Bank carries on business in the Provinces of Quebec, Ontario, New Brunswick and Prince Edward Island, and the total value of the principal harvests in each of these provinces is as follows: Quebec, $148,348,000; Ontario, $236,991,000; New Brunswick, $25,586,000; Prince Edward Island, $15,874,000, and if in respect of this last province we add the industry of fox-raising amounting to $2,500,000, and the dairy industry, including eggs, at $2,362,000, the total comes to $21,360,000.

As to commerce in general, Federal Statistics establish that the total Canadian commerce during the nine last months up to the end of December, was $1,726,000,000, being $296,000,000 more than during the nine corresponding months of the preceding period. Exports showed a higher increase, as follows: national products exported amounting to $1,030,000,000, giving an increase of nearly $202,000,000. Our imports amounted to $685,000,000, showing an increase of $93,000,000. Finally the exports of foreign merchandise amounted to the sum of $9,349,000, this being about the same as for the preceding year.

As in our last report, we regret to have to state this year that all classes of the population have assumed expensive social obligations in recent years, and, unfortunately, a general return to former habits of economy has not shown itself, although a change in this respect is, in our opinion, absolutely necessary, in order that business be restored to a normal condition.

It is now our sad duty to pay homage to the memory of Mr. G. M. Bosworth, who died on the 26th of July last. Mr. Bosworth whilst in London, England, was attacked by severe illness which proved fatal. His premature death has deprived the Bank of devoted services. He was a Director since 1907. You will no doubt join in the sincere regret caused by his loss.

To fill the vacancy on your Board of Directors, we have named Mr. Alphonse Racine, President of the important firm "Alphonse Racine, Limited," of this city, and one of the principal shareholders of this Bank. You will no doubt approve of this choice.

Having considered these matters of general interest, your Directors are happy to report that the Bank's business for the period ending the 30th of November last shows results altogether favorable.

These results appear in the account of "Profit and Loss," after deduction of all costs and provision for current risks, as a net profit of $407,258. Among the amounts deducted from profits, we should draw your attention to the sum of $84,534, applied to the total amortization of the cost of establishing and maintaining a number of new branches, and also in the reduction on our real estate and furniture; a similar reduction by the sum of $75,302 was made last year for the same purpose, and as you are aware, this practice is a rule followed by the Bank since its foundation. No doubt you will approve of this procedure, although it is rigourous. The regular dividend of 9% per annum has been paid to the Shareholders.

We think it useful and even necessary to point out to you that the total amount of taxes paid to different Federal, Provincial and Municipal Governments, in the course of our fiscal year, amounted to the relatively large sum of $96,988.72, that is, over $8,000 a month.

The Department of Commercial Loans is always most carefully examined by the Executive officers and Board of Directors, and, as you are aware, the directorate of the Bank has always been composed of men whose character and business competence are a sure guaranty of the value of the Bank's assets.

Doubtful claims have been covered by a reserve considered sufficient by the Shareholders' auditors, as their certificate shows.

According to the new Bank Act, the Inspector General, appointed by the Government, made his annual visit to ours, as to the other Banks, and examined the assets in detail.

The total assets of the Bank on the 30th of November last amounted to a sum exceeding Forty-Five Million Dollars ($45,219,594), and of this amount, a sum of $26,398,685 represents liquid assets, of which $7,872,690 is Cash and Bank balances, and $8,554,124 in Government securities, Municipal, school and other corporation bonds and $9,971,870 of loans payable on demand and secured by stocks and bonds, that is to say, over 65% of the sum due to the public, deposits and circulation, amounting to $40,566,124.

The policy of the Board of Directors of this Bank has always been to maintain liquid assets at a very high percentage of obligations or deposits due to the public. From our point of view, this measure of prudence is the first duty of Banks receiving deposits, as they should be constantly ready to meet any eventuality.

The total assets of your Bank have therefore increased by the important sum of $4,573,032 during the period under review, and the deposits generally due to the public, etc., amount to-day, as shown in the general statement, to more than $36,564,000, being an increase of over 10% on last year's figures, and you will remember that there was then also a similar increase.

We have again to congratulate the Bank on the attachment of its Shareholders; the division of its capital among an increasing number of Shareholders (2,304) and the excellent classification resulting, Shareholders coming from all localities where a Branch of the Bank is established, and where, no doubt, they exercise a favorable influence.

Since your last meeting, eight (8) regular Branches have been opened at CHICOUTIMI, JONQUIERE, SHERBROOKE, RIMOUSKI, ST. POLYCARPE, CITY OF OUTREMONT, and in MONTREAL at No. 3538 DeLorimier Avenue, and at No. 740 Mount Royal Avenue East.

We have closed the following Branches: DALHOUSIE, N.B.; STE. URSULE, Que., and ST. CHRYSOSTOME, Que.

This brings the number of our Branches to one hundred and thirty-three (133) in the Provinces of Quebec, Ontario, New Brunswick and Prince Edward Island.

The Head Office and all the Branches have been visited during the period under review by inspectors and competent officers; the Auditors named in compliance with the Bank Act at your last meeting have, as usual, made a minute examination of the assets and liabilities of the Bank, and their certificate appearing on the statement testifies of their satisfaction.

The Bank's staff at the Head Office and at the Branches has continued its devoted service, for which we thank them. You will be called upon at this meeting to adopt a Resolution to purchase of a general Life Insurance policy of the kind called "Group Insurance," with the view of helping to establish a pension for every officer or employee who, by loyal and permanent service, shall have deserved it, when advancing age or illness or other cause makes it impossible to continue his work.

We wish to acknowledge the services rendered as in former years by the Board of Censors, whose Report will be presented to you at this Meeting; the satisfactory results of business during the past year being due for a large part to their care and to the confidence which they inspire in the community. On your behalf we beg to thank them.

The Report of the Board of Censors makes mention of the very recent death of their colleague, the Honorable Paul Tourigny. The regrets which they express on their behalf are ours as well, and without doubt you share in the sympathy which they offer to the bereaved family of their deceased colleague.

For the Board of Directors,

(Signed) H. LAPORTE,
President.

(Signed) TANCREDE BIENVENU,
Vice-President and General Manager.

Report of the Board of Censors presented to the Annual General Meeting of the Shareholders, Wednesday, the third day of February, 1926.

To the Shareholders,

It is with much satisfaction that we beg to submit to you the result of our monthly work during the last fiscal year under the mandate you conferred to us at the last General Meeting.

We have regularly held our monthly Meetings, and at each of these, all necessary documents and vouchers were furnished to us.

After verification, we were able to establish that the securities, such as obligations by Governments, Municipalities, School and other corporations, added to the cash and moneys in Bank, exceed at all times the sum required by the rules and by-laws as sufficient to meet the possible demands by depositors.

The rapid and constant progress of the Bank since its foundation and the very high proportion of its liquid assets, considered of easy realization, demonstrate that the Bank has been managed with zeal and prudence. We are convinced that the present brilliant situation compensates the founders of the Bank for the sacrifices they imposed on themselves.

In closing, we beg to associate ourselves in the expression of the general and deeply felt regret caused by the death of Mr. G. M. Bosworth, Chairman of the Canadian Pacific Steamships, Limited, and Director of this Bank for nearly twenty years.

We have, moreover, to record the recent death of our colleague, Honorable Paul Tourigny, a shareholder of the Provincial Bank of Canada since its organization, and thus one of its founders. The Honorable Mr. Tourigny always took the greatest interest in the development and progress of your Bank, and we are sure that in offering to his family our very sincere and very real sympathy, we are speaking for you as well as for ourselves.

For the Board of Censors,

(Signed) N. PERODEAU,
President.

THE PROVINCIAL BANK OF CANADA
PROFIT AND LOSS ACCOUNT
as on November 30th, 1925.

CREDIT

Balance at credit of Profit and Loss account, Nov. 30th, 1924		$22,738.28	
Profits for the fiscal year ended November 30th, 1925, after deducting charges of management, interest due to depositors, rebate on current discounts ($79,591.35) and provision for losses and doubtful debts		407,258.97	
			$429,997.25

DEBIT

Appropriated as follows:			
Quarterly dividend at the rate of 9% per annum on paid up capital as follows:			
Paid March 2, 1925	$67,500.00		
Paid June 1, 1925	67,500.00		
Paid September 1, 1925	67,500.00		
Payable December 1, 1925	67,500.00		
		$270,000.00	
Dominion Government taxes on Bank note circulation and provision for income tax		50,000.00	
Amortization in full of the cost of installation and maintenance of new branches and written off "Bank Premises," "Other Real Estate," and "Furniture and Fixtures" Accounts		84,534.02	
		404,534.02	
Balance of Profit and Loss carried forward		25,463.23	
			$429,997.25

RESERVE FUND:

Balance at credit, November 30th, 1925	$1,500,000.00

General Statement of the Bank on November the 30th, 1925

LIABILITIES

Deposits not bearing interest	$6,352,998.32
Deposits bearing interest including interest accrued to date of statement	29,659,389.29
Balance due to Dominion Government	330,735.67
Balances due to Provincial Governments	212,737.94
Balances due to Banks and Banking Correspondents in the United Kingdom and Foreign Countries	8,978.98
	$36,564,840.20
Notes of the Bank in circulation	3,930,348.00
Unclaimed dividends	3,436.19
Quarterly dividend, payable December the 1st, 1925	67,500.00
Total Obligations to the Public	$40,566,124.39
Capital Stock paid in	3,000,000.00
Reserve Fund	1,500,000.00
Balance of Profit and Loss carried forward	25,463.23
	$45,091,587.62
Liabilities not included in the foregoing	128,006.56
	$45,219,594.18

ASSETS

Gold and Silver coin current		$ 154,282.99
Dominion Government Notes		1,797,278.50
Deposit in the Central Gold Reserves		700,000.00
Notes of other Banks		625,986.00
United States and other foreign currencies		78,600.91
Cheques on other Banks		2,115,591.13
Balances due by other Banks in Canada		2,158,640.89
Balances due by Banks and Banking Correspondents elsewhere than in Canada		242,310.13
		$7,872,690.55
Dominion and Provincial Government Securities not exceeding market value		4,880,765.72
Canadian Municipal Securities and British, Foreign and Colonial Public Securities other Canadian, not exceeding market value		1,345,992.79
Railway and other Bonds, Debentures and Stocks, not exceeding market value		2,327,345.89
Call and Short (not exceeding 30 days) loans in Canada on Bonds, Debentures and Stocks and other Securities of a sufficient marketable value to cover		9,971,870.37
Grand Total		$26,398,685.32
Loans to Cities, Towns, Municipalities and School Districts	$1,167,083.98	
Other current loans and discounts in Canada, after making full provision for all bad and doubtful debts	15,041,045.04	
	16,208,129.02	
Less rebate of interest on both items	79,591.35	
		$16,128,537.67
Deposit with the Dominion Government to secure Bank note circulation		155,800.00
Non current loans, estimated loss provided for		202,204.78
Real Estate other than Bank premises		199,415.00
Bank premises including furniture and fixtures, at not more than cost, less amounts written off		1,731,919.86
Mortgages on Real Estate sold by the Bank		100,940.45
Other Assets not included in the foregoing		302,091.10
		$45,219,594.18

Compared with the books and found correct:

(Signed) J. R. CHOQUET,
Chief Accountant.

For the Board of Directors:

(Signed) H. LAPORTE, President.
(Signed) TANCREDE BIENVENU,
Vice-President and General Manager.

SHAREHOLDERS' AUDITORS' CERTIFICATE

To the Shareholders of
THE PROVINCIAL BANK OF CANADA

We have compared the above statement with the books and accounts of THE PROVINCIAL BANK OF CANADA and with the certified Branch Returns. We have verified the investments and securities at the Head-Office. We have obtained all the information and explanations that we have required.

In our opinion, the transactions of the Bank which have come under our notice have been within the powers of the Bank and the above statement discloses the true condition of the Bank, after providing for eventual losses, and is as shewn by the books of the Bank.

(Signed) J. A. LaRUE, C.A.,
of LaRue & Trudel, Quebec.
(Signed) L. E. POTVIN, C.A.,
of Turcotte, Merrill & Potvin, Montreal.

Montreal, December 19th, 1925.

The members of the Board of Directors and of the Board of Commissioners-Censors, we all unanimously re-elected.

At a subsequent meeting of the Directors, the following officers were elected:—Honorable Sir Hormisdas Laporte, P.C., President, and Messrs W. F. Carsley and Tancrede Bienvenu, Vice-Presidents.

At a meeting of the Commissioners-Censors held immediately after the Directors' meeting, the Honorable N. Perodeau, Lieutenant-Governor, was elected President, and Honorable E. L. Patenaude, Vice-President for the ensuing year.

Budgetary Control as a Stabilizer of Business

(Continued from page 3)

by the very nature of it shall make every department head his own chief cost accountant and compel him to operate his department within definite bounds, or give a very intelligent answer why not, is a system of almost incalculable worth and merit?

Must Be Believed In

It will be wise, therefore, on the part of any management considering installing such a system of operating control, to realize that to make it effective, it must be believed in and receive hearty co-operation from all department heads throughout the organization.

It may take time to convince these heads of departments and divisions that such a system is good not only for the business but for themselves as individuals. This can be accomplished by demonstrating to them that it will enable a good man to show his ability and bring his performance directly to the attention of his chief executive. It is undoubtedly true that it will reveal in the same way the inefficiency of an inferior man and the sooner such a man is discovered and replaced, the better for any business.

This system as outlined, I have seen applied and co-operated in its application in several cases as previously stated. The results have been and continue to be marvelous both from the bankers' and from the shareholders' points of view.

I have observed its operation in very large successful corporations with results that account for many of the present high prices of industrial stocks, the earnings on which have surpassed all expectations.

The system might possibly seem to be restrictive of initiative.

It is in no sense restrictive of anything but bad judgment. It is by nature corrective. A yearly sales forecast is merely a trend line pointing out into the future twelve months ahead. It can be and must be corrected monthly and adapted to current conditions and anticipations.

A Brain on Paper

It is simply a brain on paper which co-ordinates the various nerve centres, the divisions and departments.

I like to think of it as I think of a magnetic compass.

A captain of a ship under orders to sail for a certain port across the high seas, directs his vessel along a previously carefully charted course. He is guided in steering his ship not so much by his intuition or his intelligence as by the magnetic compass.

The magnetic compass is to the navigator the law of direction. The system I have described is to a management, the law of business direction.

If you were to take passage on an ocean liner, would you feel safer if you trusted your life to a captain who discarded his compass and steered his ship by his wits and the stars, or to a captain who permitted his compass to control his direction?

If you were a shareholder in an industrial corporation, would you be happier if the directing head of such corporation was a man who relied entirely upon his wisdom and foresight or a man who wisely based his operations on carefully thought out plans and controlled his business so as to keep it constantly in balance?

I shall admit that the former type of manager often is very successful but the latter type of manager will pay more dividends to his shareholders over a period of years.

Must Know Details

I admit, moreover, that the system I have been describing is of little value unless it is administered by a chief executive who believes in its merits, knows its details intimately and insists on supervising its operations.

This is a system which must be operated by that man in a corporation who has full executive power to control it. Therefore, through its very essence it demands that a chief executive shall have the ability of a chief executive.

"Budgetary Control of Operating Costs Based on a Forecast of Sales Arrived at After Sales Analysis," is the somewhat lengthy name of the system I have attempted to describe. An Oxford professor discussing an entirely different subject has described budgetary control better than I ever could hope to. I have eliminated the word life putting the word budget in its place. "Every 'budget' is a work of art shaped by the man who controls it. According to the faculty of this man will be the quality of his work, and no general rule can supply the place of his own direct perception at every turn."

A budget is not only a money maker but the greatest money saver ever discovered.

It eliminates red tape and the making of useless figures by clerks, and other secondary people, thus getting rid of such persons.

I repeat and emphasize that to be successful, the budgetary system must be made by the department heads of the business and checked and controlled by the executive manager.

Compass of Business

It is not a compilation of corporation statistics and estimates for clerks and junior officials to play with and adjust. It is the compass of the business. No one but the chief navigator, the executive manager, may adjust it after it is once set.

The home made budget is always the best budget. While the fundamental principles of all budgets are the same a particular budget should be made to fit a particular business. The business should not be made to fit a budget.

Outside experts are not absolutely essential to install a budget but they can be very helpful.

The executive head of a business must believe in the budget and know how to operate it before its installation can prove of value.

If the executive head of a business considers himself too important and too busy a man to spend time formulating, checking and controlling a budget then the budget should not be installed.

Such a man, as has been said, is sailing his ship by his wits and the stars. A budget would confuse him.

Dominion Life Issued $17,800,000 New Business

Dominion Life Assurance Company had new assurances issued in 1925 of $17,874,727, a gain of $2,924,181 over the previous year's record. Total assurances in force now stand at $81,677,030, a gain of $9,106,347 for the year.

Record increases were made in every department. The cash income from premiums was $2,708,578.67 — an increase for the year of $318,800.30; while the income from interest, rents and other sources was $754,258.89, being an increase in the year of $96,816.08. The total income, namely, $3,462,837.56, was greater by $415,616.38 than the corresponding income of 1924.

The total of the assets, $12,375,516.04, is greater by $1,371,871.32 than the total at the end of December, 1924. The average rate of interest earned on all invested assets was 6.99 per cent.

Ontario Equitable Near $30,000,000 Mark in 1925

Ontario Equitable Life & Accident Insurance Company wrote $8,299,534 of new business in 1925, an increase of $1,537,289 over 1924. Business in force rose to $29,617,016, which must be regarded as highly satisfactory for a company that is only a little over five years old.

Assets now total $2,352,391 and surplus, calculated on the governmental requirements, stood at $86,065 at the end of the year, a gain of $5,223. Policy reserves stand at $1,778,280.

Gains were made in other directions; interest rate earned was larger; terminations were less.

Ontario Equitable is a non-participating company and the record achieved has been reached on the basis of non-par premiums, which do not provide the same margin over expenses in the first few years as do participating premiums.

The Ontario Equitable is now transacting business in all provinces of Canada, the Dominion of Newfoundland, and the British West Indies. During 1926 it is the intention of the company further to develop the business from the territory already covered.

Monarch Mills Company Sells Plant at Buffalo

It is announced from Buffalo that the Buffalo plant of the Monarch Knitting Mills, which has been idle since the failure of the Famous Fain Co., of New York, which occupied the property for a short time, has been sold by the Monarch interests to the Spencer Lens Co., for $250,000. The mill is of brick construction, 380 feet long, 515 feet wide and four stories high, with a basement. A completely equipped dye house and boiler house adjoins the property at East Genesee and Doat St. on the Erie Railroad.

The Ontario Loan and Debenture Company

The Fifty-fifth Annual General Meeting of the Shareholders of this Company was held on Wednesday afternoon, 10th instant, at the Company's Offices, London, Ontario.

The chair being taken by the President, Mr. A. M. Smart, the Manager, Mr. T. H. Main, who acted as Secretary, read the notice calling the meeting and the minutes of the last Annual Meeting were, upon motion, confirmed.

The Annual Report was then presented, as follows:—

FIFTY-FIFTH ANNUAL REPORT

London, Canada, January 26th, 1926.

To The Shareholders:—

Your Directors have pleasure in presenting their Annual Report for the year 1925, together with Balance Sheet and Auditors' Certificate.

The year's business proved satisfactory and exceeded in volume that of the previous year. The rates for loans prevailing have shown a tendency towards lower figures.

After payment of Provincial and Municipal Taxes, Interest, Expenses and Charges, and after making ample provision for possible losses and contingencies, the

Net earnings for the year 1925 are		$296,123.25
Balance brought forward from previous year		53,370.73
From this Total available		$349,493.98
Dividends (Quarterly) at the rate of 11% per annum have been paid	$192,500.00	
Transferred to the Reserve Fund	75,000.00	
		$267,500.00
Balance		$ 81,993.98
Dominion Government Income War Tax		26,878.43
Balance carried forward		$ 55,115.55

The total Assets of the Company increased during the year by $631,051.

Payments on Mortgages of urban property continue to be very well met. The very large crops and prevailing good prices are already reflected in a distinct improvement in farm mortgage payments and in due time cannot fail to have a beneficial effect on general business conditions in the Dominion.

All of which is respectfully submitted.

A. M. SMART, President.

FINANCIAL STATEMENT
31st December, 1925

ASSETS:

Office Premises (freehold)	$ 40,000.00
Real Estate held for sale	56,448.72
Mortgages—Principal $6,346,901.89, Interest $196,835.22	6,543,737.11
Loans on Stocks and Bonds	223,287.51
Securities of United Kingdom, Dominion of Canada and Provinces of Canada	1,149,531.17
Securities of Canadian Municipalities, School Districts and Rural Telephone Debentures	934,834.83
Securities guaranteed by Dominion of Canada and Provinces of Canada	606,342.82
Cash in Chartered Banks in Great Britain	4,517.48
Cash in Chartered Banks of Canada	174,942.31
	$9,733,641.95

LIABILITIES:

To the Public:—		
Debentures, Sterling, including accrued interest	$1,039,554.81	
Debentures, Currency, including accrued interest	3,346,311.20	
		$4,385,866.01
Deposits		844,535.39
		$5,230,401.40
To the Shareholders:—		
Capital Stock Subscribed, $2,550,000.00.		
Capital, fully paid $1,550,000.00		
Capital, partly paid 200,000.00		
	$1,750,000.00	
Reserve Fund	2,650,000.00	
Dividend payable 2nd January, 1926	48,125.00	
Profit and Loss Account, Balance carried forward	55,115.55	
		4,503,240.55
		$9,733,641.95

T. H. MAIN, Manager.

To The Shareholders of The Ontario Loan and Debenture Company:

We hereby certify that we have audited the books and accounts of The Ontario Loan and Debenture Company continuously throughout the year ended December 31st, 1925, and find them correct and the above statements in accordance therewith. We have verified the Cash and Bank Balances, and have examined the Company's securities and find them in order. All our requirements as Auditors have been complied with, and, in our independent opinion and according to the information and explanations given us, the above statements are properly drawn up and set forth fairly and truly the state of the Company's affairs.

All transactions that have come within our notice have, we believe, been within the powers of the Company.

F. G. JEWELL, F.C.A.,
J. F. KERN,
Auditors.

London, Ontario, 26th January, 1926.

The President in moving the adoption of the Report said in part:

As the Annual Report of your Company, has been in your hands for the past two weeks, there seems necessary but little comment.

These reports fortunately do not differ much from year to year, nor does this one vary to any great extent. I feel sure the Shareholders will concur with the opinion of the Directors that the result of the year's business is eminently satisfactory. We are not engaged in a business where, if rightly conducted, there is opportunity for unduly large profits. Mortgage Loan Companies in essence are a convenient agency surrounded by many safeguards for procuring moneys where there is a surplus supply and loaning it out to those who can safely and legitimately use it for acquiring farms or other Real Estate and for the improvement and development of their property.

It is gratifying to be able to note almost every year that an ever greater number make use of the Debentures of your Company, entrusting us with constantly increasing amounts, enabling us to augment our Loans upon Mortgages, thus aiding in both rural and urban improvements. The part played by such Companies has been a most creditable one and much of the progress achieved by agriculture, and in the building of our cities and towns, is attributable to the facilities afforded by them.

In the balance sheet you will note items composed largely of Securities of Governments of Great Britain, the Dominion, together with the Provinces and Municipalities amounting to $2,690,708.82. These Securities are carried at never more than cost or purchase price, the market value being in excess of that amount. These Bonds give a fair return, largely in excess of yields now obtaining for like securities, and being readily marketable are a liquid asset of much value to the Company.

During the year 1925 you will notice our Loans upon Mortgages have again been increased and now amount to $6,543,737.11. I may tell you that of this total, the interest overdue represents slightly over one-half of one per cent. and the amount of this interest overdue for more than one year is less than one-tenth of one per cent. of the principal sum.

The loaning of money upon mortgage is not just as simple as some people appear to think. To do so successfully in any amount requires men of training and experience whose good judgment in the first place, must be followed by constant, tactful attention and supervision often throughout the entire term of the mortgage. In the collection of instalments of principal, indeed quite frequently of interest, it requires good judgment as to when and how long to exercise leniency. The properties must be kept insured. Municipal taxes now so comparatively high are an added care and changing values may undermine the security unless the advance be reduced by sufficient repayments on account of principal from time to time. An advance on a mortgage may be a perfectly sound investment when made, but if neglected for but a comparatively short time will easily become a source of much anxiety and may even result in loss.

Such being the case with mortgages as security it would appear that the Dominion Government would be well advised to avoid responsibility for advances which they are now being urged to assume by instituting a system of Co-operative Rural Credits.

Have the results of like or similar methods in this Country been such as to encourage the adventure? The Farm Loan Board of Saskatchewan recently reports many cases of delinquent debtors. In the past two years they have been forced to take over 151 farm properties under their scheme of mortgage advances, of which they have disposed of but 10. In addition the Province have a large proportion of their other Rural Credits still unpaid and many admitted to be uncollectable.

The experience of the Province of Manitoba in the granting of rural credits is also an interesting and striking example. The Premier of that Province in a statement recently made estimates that of the amount $3,000,000 advanced by them, the loss already sustained is equal to 25 per cent. of the total amount of their loans. In other words the people (rate payers) of Manitoba who got no benefit will be compelled to pay about $700,000 in additional taxes to liquidate the default of these enterprising borrowers. The other Western Provinces have had an equally adverse experience, and in at least one the result we are told will be even worse, yet the cry is "Still more Credit" and it is now urged that the Dominion should pass an Act providing for Farm Credits. It is ardently to be hoped that the Government at Ottawa will not allow themselves to be threatened or cajoled into any such further paternal class legislation. The present difficulties of many in the West have been brought upon them by too much credit rather than too little and the more intelligent of them are beginning to realize it.

There is no dearth of funds in the hands of the Mortgage Loaning Corporations: the Insurance, the Trust, and the Loan Companies. They are quite able and willing to supply the legitimate requirements for mortgage advances and at such rates that this service if left in their hands will in the final analysis cost the people of Canada much less than it is likely to if financed by the Government.

The year 1925 showed, as expected, an ample supply of money was available and in consequence a reduction in the average rate at which our loans were made. To offset this to some extent, we have been obliged to offer a slightly lower rate for debentures moneys than heretofore. This reduction has been accepted in good part and you will note our Canadian Debentures have increased by $536,614.08. Our able and valued representatives in Scotland, Messrs. Wm. Home Cook & Company, C.A., and Messrs. Forbes Dallas & Company, W.S., of Edinburgh, advise that rates for similar funds in Great Britain continue to rule comparatively high. We have therefore been able to accept but little from there, but when their readjustment period shall have been completed we hope again to be able to make use of the facilities they have ever been willing to extend. Already the Pound Sterling has reached its accustomed proud position at par or better and discount no longer precludes its importation.

The Dominion still continues to progress, whether by reason of its Government, or in spite of it, who can say? It is true the pace is not fast but it is perhaps all the better for that. Exports show a largely increased surplus over imports, our railway traffic is again on the upturn and the increased volume makes possible a lower ratio in cost of transportation. The product of the mines (especially gold) shows a marked increase. The manufacture of pulp and paper almost equals that of the United States and the total value of what the farmer has to sell has perhaps never been exceeded in any past year.

There are other signs of prosperity and your Company will probably experience its share, but do not let us expect too much. We shall do well not to forget the burden of War taxes and other imposts we have still to carry. The taxes, apart from the municipal rates, payable last year by your Company were equivalent to 1.77 per cent. of its paid up Capital and formed about 28 per cent. of the entire cost of conducting the business.

At our last Annual Meeting I stated in some detail our practice as to the valuations and the provisions made on account of properties on hand held for sale. I shall not detain you by repetition of this. You will notice hat at the end of 1925 this item stands at a reduced figure. If the plans to secure increased immigration are successful, it should not be long before this amount will be much further reduced or indeed disappear altogether.

Should there be any further information desirable it will be gladly furnished upon enquiry.

I have much pleasure in moving, seconded by Mr. Somerville, the reception and adoption of the Annual Report.

The Vice-President, Mr. C. R. Somerville, in seconding the adoption of the Report spoke as follows:

As Mr. Smart has said, our reports vary but little from year to year. It is our constant care, as your Directors, to keep our business so uniformly good that the well merited public confidence in the outstanding strength and stability of the Company shall be fully maintained.

The President has referred to and commented upon some of the items of our balance sheet. With regard to the one of Real Estate held for sale, this shows, I am pleased to say, a reduction from last year. Although the amount of our Western Canada mortgages is small, the great proportion of our mortgage investments being in older Ontario, this Real Estate held for sale is all Western. During the past year a number of properties have been disposed of. The outlook in Western Canada is now so much better, owing chiefly to the much better grain prices of the past two years and the splendidly large crop of last season, that we are not hurrying to sacrifice any of these properties.

Although only totalling a little more than one-half of one per cent. of our total assets and not as much as the amount we were able to add to Reserve Fund in this one year, these properties are just as much an asset as any of the items and we consider it our duty to conserve and realize as much as is reasonably possible from them. Needless to say they are taken into account at figures which we believe will protect the Company against any possibility of loss that we can foresee.

Agriculture remains our largest basic industry and there is no doubt in my mind that farming conditions both in Eastern and Western Canada have now reached the most healthy state of the past ten or twelve years. Conditions are now favourable for those already farming and for those, both in and out of the country, who will take up agricultural work here. I think these conditions will now be maintained and will result in a healthy, natural flow of immigration which is now one of Canada's outstanding needs.

The increase in our Mortgage Loans in the year has been in Ontario mortgages. The demand proved better than we in the first part of the year expected but the competition among lending institutions for the most desirable business was very keen. Confining ourselves, as we have always done, to loans upon property of moderate size and value rather than seeking loans of greater amounts on the larger and more expensive properties we consider we secured our full share of the good mortgage business available. Our average amount of mortgage as at the end of 1925 was $2,157.34.

At our Annual Meetings for some years past we have urged the great need in Canada of individual and national economy, to the end of the very necessary reduction of our war and railroad debts and the decrease of taxation. It will be of interest to you to know that in continually urging this we have not been practising other than we preached. The expense ratio of conducting our business, other than the very greatly increased expense of taxation, was actually a trifle lower last year than it was in 1915 which in statistical comparisons is generally taken as the last "normal" year. In no year since 1913 have our own expenses as a percentage of our assets shown an increase of more than one-eighth of one per cent. over the total of that year which in itself was an average one.

We cannot, however, borrow money now as cheaply as in 1913 and before. There is not now the spread between borrowing and loaning rates there was then. By this our debenture holders profit as against the Company but we are content to have it so, feeling that the steady increase in popularity of the debentures of our best Loan Companies with its consequent encouragement of thrift and lessening of loss through doubtful and speculative investments is a great public benefit.

I have much pleasure in seconding the adoption of the report.

The Report was then adopted unanimously.

The Scrutineers were then appointed, and the election of Directors proceeded with, Messrs. A. M. Smart, C. R. Somerville, Colonel William M. Gartshore, J. M. Dillon, J. G. Richter and Arthur T. Little being re-elected for the ensuing year.

It was moved by Judge Talbot Macbeth, seconded by Mr. George C. Gunn, that Messrs. Frank G. Jewell, C.A., and John F. Kern be and are hereby re-elected Auditors of the the Company.—Carried.

The meeting then adjourned and at a meeting of the Board of Directors held subsequently, Mr. A. M. Smart was re-elected President, and Mr. C. R. Somerville Vice-President of the Company

Union Trust Reduces Real Estate Account

A nice increase in profits was reported to the shareholders of the Union Trust Company at the annual meeting this week. Following are the comparative figures of the profit and loss account for three years with a summary of the earnings record for eight years:

Profit and Loss

	1925	1924	1923
Profits	$116,503	$111,078	$108,696
Taxes	13,145	13,073	12,930
Written off	4,740	4,142	3,600
	$98,618	$93,863	$92,166
Bal. forward	138,866	115,003	142,837
	$237,484	$208,866	$235,003
Distribution—			
Dividend	$70,000	$70,000	$70,000
Reserve	....	....	50,000
Balance	167,485	138,866	115,003
	$237,485	$208,866	$235,003

Eight Years' Record

Year	Paid-up Capital	xNet Prof.	Div.	% on Cap.	Earn. Rate
1918	$1,000,000	$98,363	7	9.8	6.7
1919	1,000,000	102,603	7	10.2	6.8
1920	1,000,000	90,166	7	9	6
1921	1,000,000	90,229	7	0	6
1922	1,000,000	95,772	7	9.5	6.4
1923	1,000,000	92,167	7	9.2	6
1924	1,000,000	93,863	7	9.3	5.8
1925	1,000,000	98,618	7	9.8	6.0

xTaxes and amount written off deducted.

A notable feature of the balance sheet is a substantial decrease in the real estate account, which now stands at $266,436 as compared with mortgage assets of approximately $5,000,000. The general manager also reported a large increase in the number of depositors in both demand deposits and guaranteed investment certificates.

The general manager, C. D. Henderson, in analyzing the statements submitted, commented upon the growing public confidence and esteem enjoyed by the company as evidenced by the general development of its business from year to year.

Victoria Trust & Savings Reports Higher Earnings

Improved earnings of the Victoria Trust & Savings Company, Lindsay, are shown for 1925 at $118,015, compared with $109,308 in 1924 and $94,683 in 1923. After the payment of dividends, $30,000 was added to the reserve, which now amounts to $565,000.

President W. Flavelle states that the company continues to increase its business, which, during 1925 expanded by well over $600,000, that being the greatest growth in the company's history. As a result of the rise in sterling exchange to almost par, it has been possible to resume the acceptance of funds from Scotland for investment in guaranteed investment receipts.

Profit and Loss

	1925	1924	1923
Earnings	$118,015	$109,308	$ 94,683
Tax reserve	11,000	10,000	10,000
Off premises	2,000	2,000	2,000
	13,000	12,000	12,000
	105,015	97,308	82,683
Bal. forward	8,399	8,091	7,805
Prem. on stock	....	....	25,070
	$113,414	$105,399	$115,558
Distribution—			
Dividends	72,000	72,000	69,467
Reserve	30,000	25,000	38,000
Balance	11,414	8,399	8,091
	$113,414	$105,399	$115,558

Eight Years' Earnings

Year	Paid-up Capital	xNet Profits	Div.	% Pref. Av. Cap.	Earn. Rate
1925	$800,000	$105,015	9	13.1	7.6
1924	800,000	97,308	9	12.1	7.2
1923	800,000	82,683	9	10.7	7.4
1922	742,085	101,810	9	14.0	8.4
1921	703,566	91,158	9	13.8	8.3
1920	640,000	77,582	8½	12.6	9.1
1919	600,000	75,346	8	14.2	9.9
1918	500,000	58,774	7½	11.9	8.8

xReserve for Federal taxes, and amount written off premises deducted.

SCHOOL DISTRICTS OF MUNICIPALITIES ALSO IN DEFAULT

(Continued from page 1)

Suburban Board although they have been a factor in the financial difficulties of the municipalities in which they are located. Bondholders will be interested in the following summary of the school districts in the municipalities under the Suburban Board with those which have defaulted indicated.

SCHOOL DISTRICTS OF MUNICIPALITIES ADJACENT TO WINNIPEG

1 Brooklands S. D.
R. M. Fort Garry—
  2 Fort Garry S. D.
  3 St. Vital S. D.
  4 East Kildonan S. D.
  5 West Kildonan S. D.—Default.
  6 St. Boniface S. D.
R. M. St. James—
  7 Bannatyne S. D.—Default.
  8 St. James S. D.—Default.
  9 Woodhaven S. D.—Default.
R. M. St. Vital—
  10 Glenwood S. D.—Default.
  11 Woodlawn S. D.—Default.
Town of Transcona—
  12 Transcona S. D.—Default.
  13 Springfield S. D.—Default.
  14 Tuxedo S. D.

Herbert Tareyton
London Cigarettes
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LONDON
SMOKING MIXTURE

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NORANDA
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McCUAIG BROS. & CO.
MEMBERS
MONTREAL STOCK EXCHANGE
190 St. James St., Montreal
MAin 8170.

Ore receipts at the Trail Smelter of the Consolidated Mining and Smelting Co., for the period Jan. 22 to Jan. 31, totalled 12,670 tons, and for the month of January, 41,451 tons.

THE VICTORIA TRUST & SAVINGS COMPANY

THIRTIETH ANNUAL MEETING
for the year ending December 31st, 1925

The Directors of the Company have pleasure in submitting herewith the Thirtieth Annual Report for the year ending December 31st, 1925, duly audited.

The net earnings for the year after deducting interest paid, cost of management, etc., amounted to $118,015.32. Adding to this the balance in Profit and Loss Account gives us a balance for distribution of $126,414.80. Out of this we have paid in Dividends $72,000.00, $30,000.00 has been transferred to Reserve Fund, $11,000.00 reserved for Federal Taxes 1926, $2,000.00 has been written off Office Premises and the balance of $11,414.80 carried forward.

It will be observed that our Company continues to command public confidence and patronage to a degree that is most gratifying The increase of our business during 1925 by well over $600,000.00, is the greatest in the Company's history. Interest collections for the year represent fully a year's earnings. As a result of the rise of Sterling exchange to almost par, it has been possible to resume the acceptance of funds from Scotland for investment in our Guaranteed Investment Receipts.

Our Cannington office has now completed its first year, and we are pleased to report a most gratifying volume of business. Our Estates Department is showing substantial growth and is being more and more appreciated by the District centreing at Lindsay.

All of which is respectfully submitted.

Lindsay, January 16th, 1926. W. FLAVELLE, President.

PROFIT AND LOSS ACCOUNT, DECEMBER 31st, 1925

Balance brought forward from 1924	$ 8,399.48	
Net earnings for the year after deducting cost of management and other expenses	118,015.32	
		$126,414.80
Appropriated as Follows:		
Quarterly Dividends Nos. 91, 92, 93 and 94	$72,000.00	
Transferred to Reserve Fund	30,000.00	
Reserve for Federal Taxes, 1925, payable 1926	11,000.00	
Written off Office Premises	2,000.00	
Balance carried forward	11,414.80	
		$126,414.80
Reserve Fund		
Balance at credit December 31st, 1924	$535,000.00	
Transferred from Profit and Loss Account	30,000.00	
		$565,000.00

BALANCE SHEET, DECEMBER 31st, 1925.

ASSETS

CAPITAL ACCOUNT—		
Office Premises and Land Lindsay		$ 34,024.88
Office Premises and Land Cannington		6,236.50
Other Real Estate		54,366.25
Mortgages—		
Principal	$726,952.52	
Interest due and accrued	24,056.01	
		751,008.53
Loans on Company's Stock		25,540.00
Loans on other securities		12,291.44
Bonds and Debentures—		
Canadian Municipalities, School Districts and Rural Telephones		375,552.32
Other Bonds and Stock		127,414.98
Cash in Chartered Banks		18,576.20
Cash on hand		3,550.45
Total Capital Assets		$1,408,561.55
GUARANTEED TRUST ACCOUNT ASSETS		
Mortgages—		
Principal	$3,117,382.71	
Interest due and Accrued	80,598.85	
		3,197,981.56
Loans on other securities		422.25
Bonds and Debentures.		
Dominion and Provincial Govt. Bonds		$152,124.50
Canadian Municipal and Rural Telephone Bonds		194,471.44
Other Bonds		70,772.00
Cash in Chartered Banks		107,065.12
Cash on hand		56,138.52
Total Guar. Trust Assets		$3,778,975.39
ESTATES DEPARTMENT ASSETS		
Investments, etc., held in trust for Estates		$ 31,283.60
Total Assets		$5,218,820.54

LIABILITIES

CAPITAL ACCOUNT	
Capital Stock subscribed and fully paid	$800,000.00
Reserve Fund	565,000.00
Reserve for Federal Taxes, 1925, payable 1926	11,000.00
Dividend declared and unpaid	18,000.00
Balance due to Mortgagors	3,146.75
Balance at credit of Profit and Loss	11,414.80
Total Capital Liabilities	$1,408,561.55
GUARANTEED TRUST ACCOUNT—	
Guaranteed Investment Receipts	$2,466,035.34
Trust Deposits	1,312,940.05
Total Guar. Trust Liabilities	$3,778,975.39
ESTATES DEPARTMENT—	
Estates Capital Account	31,283.60
Total Liabilities	$5,218,820.54

POINTS WORTHY OF SPECIAL NOTE

The following shows the steady growth in assets since 1921:

1921, $3,444,921; 1922, $3,721,761; 1923, $4,157,433; 1924, $4,578,244; 1925, $5,218,820.

Investments, etc., held in trust for estates at $11,002, in 1923, have increased to $31,283 in 1925.

THE FINANCIAL POST

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Vice-President—HORACE T. HUNTER
Manager—GORDON RUTLEDGE
Editorial Director—F. S. CHALMERS
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THE FINANCIAL POST HAS THE LARGEST PAID CIRCULATION OF ANY CANADIAN FINANCIAL PAPER.

TORONTO, FEBRUARY 12, 1926

PRESS AND BIG BUSINESS

THE press should study to discriminate between the corporations which carry on their affairs on fair and honorable lines and the few—some of them powerful, with monopolistic control and great political pull—who ride ruthlessly and dishonorably over public interest. These are a menace to all industry. All industry suffers for their highhandedness.

The Bell Telephone Company has greatly extended and improved its service. We get, say, twice or three times as much out of our telephone to-day as, say, five years ago. We don't expect the merchant to give us two or three pounds of candy for the price of one. We willingly pay for two. Also, in our extravagance we willingly pay higher prices for a fancy candy. But we vigorously object to paying more than the price of one pound for two pounds of fancy Bell Telephone service.

Why? Because the Bell is a big corporation. It has been, on the whole, a mighty good example of public servant. We must admit that. The same may be said of concerns like Montreal Power. Consumers' Gas, Toronto, and many others. But it is a corporation. Some corporations and even some associations of business have given us offensively bad service and robbed us in their prices. They have got our backs up. And we proceed to revenge ourselves at the first opportunity we get.

The present plight of the Bell Telephone Company in its plea for rates adjustment and many similar experiences are a lesson for all good business men. It is to their interest to put more pressure on the short-sighted corporation or association, which is not fair to its customers or the public. If the unfair corporations will not appreciate sound advice, then it is for sound business, for its own protection, to join the press in clubbing them into subjection. Until we do, all business will be unable to get fair treatment and will suffer from hampering local and national laws and regulations.

There is important work of this sort to do. It is being done in the States — sometimes unjustly; but autocratic corporations are finding it most unprofitable to impose on their customers or the public. In Canada some of their subsidiaries are taking advantage of our slackness and behaving in ways that will eventually lead to trouble.

RESPONSIBILITIES OF BUSINESS

THE Toronto Telegram claims that when Sir Thomas White says that super-taxes are stifling enterprise, he is merely trying to shift the burden of taxation from the rich to the common people. The trouble with the Telegram is that it knows so many things "that ain't so." The Telegram does not mean to be destructive, but it is to that end its policies have led. The Telegram has had for many years a great influence on mass opinion in Toronto. It has not used that influence intelligently or wisely. If it had used it constructively, Toronto would not have more unemployment than any other centre in the Dominion to-day. There would be a job for every man and woman at good wages.

We believe the Telegram to be sincere, and being sincere, may we suggest that it select two or three of the largest taxpayers in industry, and find out their daily doings and what they do with their profits. The Telegram thinks they use their income for extravagant, riotous living. The fact is that these men usually live most economically and every cent they save is ploughed back into their industry, first, to give Canadians better service, and secondly, to increase production, using more Canadian raw material and employing more Canadian labor.

The fault does not all lie with the Telegram. Perhaps Sir Thomas White and his friends share responsibility. They have lived superior to public opinion, not intentionally, but thoughtlessly. They have misunderstood that we are living in a democracy, the speakers for which are very ignorant and easily irritated by supposed injustices, but the masses of which are very fair. Therefore, it is the duty of men like Sir Thomas who know facts and conditions systematically, to place, as Sir Thomas is now doing, the information before the people. If the Canadian Manufacturers' Association had not been so autocratic and stupid in meeting the official requests of the western farmers in 1917 and 1918, to get together with them for a friendly discussion that they might agree on policies that would be fair to both and on which they might work in unity for the upbuilding of Canada, there would be no national political mess at Ottawa to-day. The Canadian Bankers' Association also showed the same confidence in its own ignorance when it refused the persistent warnings of its inspectors and branch managers throughout the country and their recommendations for publicity to create correct understanding of the national banking situation.

There is no fairer, no less prejudiced press anywhere in the world than the Canadian newspapers, and if they make mistakes in their treatment of industry, business and finance, it is all too often the fault of the latter. It is their duty to conduct their affairs honorably and to see that the press and general public get sound information.

THE DAY OF THE MOTOR BUS

THE number of fare passengers carried by the electric railways in Canada during 1924 was the smallest in the last six years. The decrease from 1923 was 10,784,309, or 1.5 per cent., and from 1920 which was the year of heaviest traffic, the difference was 78,213,604, or 9.8 per cent. — Report of the Dominion Bureau of Statistics just issued.

Figures like this should create a feeling of satisfaction among Ontario taxpayers that the Hydro Commission's plan to cover the province with a network of additional radial lines at a cost of a couple of hundred millions of public money received a death blow at the hands of the Sutherland Commission.

And whereas the Hydro Commission under Sir Adam Beck planned radial construction on a lavish scale, the same Hydro Commission under C. A. Magrath is getting franchises for motor buses to provide public service. At Peterborough the Commission is seeking an exclusive franchise of the city's streets for bus operation, thus securing a monopoly in a field in which two other bus companies are now operating.

CANADA FOR CANADIANS

THE Ferguson government is receiving deserved congratulations upon the satisfactory conclusion of the deal whereby timber limits in the Thunder Bay and Kapuskasing districts in Northern Ontario will be developed by a specified capital investment of $80,000,000 within two years, as a part of the province's growing pulp and paper industry. But after all, the arrangement can be regarded as satisfactory only as far as it goes —and there is growing appreciation of the fact that such agreements do not go far enough.

The development of Canada's forest resources will not bring their maximum benefit to the Canadian people until the federal and provincial governments join forces to compel not only the manufacture of wood into pulp, but the manufacture of pulp into paper. Further, efforts should be directed also to seeing that our paper is manufactured into books and publications for our own uses.

It has been estimated that three thousand families are working in the United States preparing printed matter with Canadian paper for Canadian use. Many other thousands are employed in the manufacture of paper from Canadian pulp and Canadian pulpwood for American consumption. Herein is one explanation of why Canadians are leaving Canada.

WINNIPEG'S successful Made-in-Winnipeg exhibition is just another indication of the growing importance of the manufacturing industries of the Prairie Provinces. As the number of manufacturers in the West increases, there will be a greater appreciation there of the problems of the manufacturers throughout the rest of Canada.

ACCORDING to a bulletin just issued by the C.P.R., there are 803 manufacturing plants in Manitoba, 647 in Saskatchewan, 723 in Alberta, and 1,345 in British Columbia—2,177 in the Prairie Provinces and 3,518 in all the West. The total capital invested in these industries is $400,000,000, and the value of their product in the last fiscal year was a value of $361,617,000. The development of manufacturing industries in Western Canada should go far to develop common interests between East and West, and a more tolerant attitude on national fiscal policies.

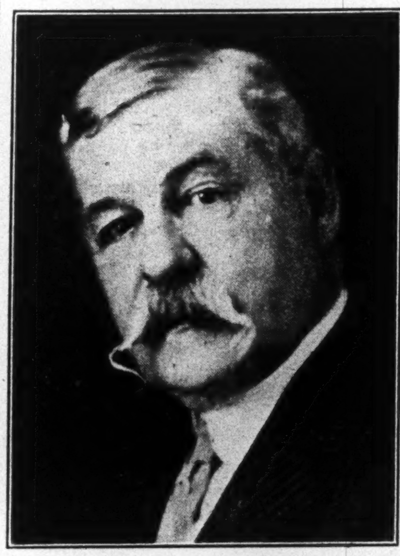
F. W. Peters Went From East to Find Success on Coast

C.P.R.'s British Columbia Superintendent Wanted to Run Away to Sea But Instead He's Worked at Railroading All His Life

ONE realizes how young the billion dollar Canadian Pacific Railway is when one learns that there are still many people working for the line who have been with it from the start.

The oldest employee, in point of years of service, is J. G. Ogden, financial vice-president. When the C.P.R. was organized, he was bookkeeper and had charge of the cash box. To-day he still has charge of the cash-box but it is a cash box that sees many millions go in and out every year.

Next in years of service is another official who enjoys a thousand intimate friendships and the stamp of public good will. He is Francis W. Peters, who rules with a smile and an iron will all C.P.R. activities in British Columbia. The general superintendent of the C.P.R. in British Columbia is junior to Mr. Ogden by only four months.



F. W. PETERS

Was Almost a Sailor

As a youngster on the old Peters homestead three miles from St. John, N.B., where he was born in 1860, Francis White Peters felt the call of the sea. At thirteen he prepared to follow his ambition and left his home to embark on a sea faring career. But fate stepped in in the form of illness and the five masted schooner on which he had hoped to sail the seven seas sailed without this eager lad.

Next to ships, Francis Peters loved trains and, throughout his school days, he was accustomed to travel into St. John and home again each day. He had become familiar with the cars, the locomotives, the trainmen, in fact, the whole atmosphere of railroading. When his pet ambition was nipped in the bud he chose the next best course. Although only 13 years of age, he took up telegraphy and, in a very few months, entered the St. John office of the Intercolonial Railway as the relief operator. He gained promotion rapidly. In 1880 he entered the service of the Chicago and Grand Trunk Railway in Michigan. Back in New Brunswick, the call of the west had been strong within him and the building of the Canadian Pacific Railway definitely undertaken in '81 served to strengthen that call and fired the imagination of this aggressive young easterner. How he answered that call is best told by another story.

He Saw the President

Mr. Peters was general agent at Port Huron for the Chicago and Grand Trunk Railway when his western fever reached its height. He asked headquarters one fine day to send someone to take over his job as he wished to resign. No attention was paid to this request nor to similar ones sent at various intervals so without further ado the operator packed his trunk, balanced his books, handed his cash over to the local postmaster, locked the door of his office, wired headquarters what he had done and jumped the first train to see the president of the line.

The president of the road had been an ambitious young railroad man himself and without question accepted Mr. Peters' explanation and handed him a pass to Winnipeg.

In 1881, the Canadian Pacific Railway had been organized and granted the contract by the Dominion government for the completion of the first Canadian transcontinental railway. The two long lines of steel were being flung across the prairie sections of the country with remarkable alacrity. Van Horne's army of empire builders was busily pushing forward on many fronts and when in 1882 Mr. Peters went to his first post as Brandon agent, that little prairie town marked the end of steel. North, south and west of this point the settlers had gone out in their rude prairie schooners to organize those communities which have now become the prosperous 'small towns' of Manitoba.

Cleared the Lines

It was 103 car loads of just such settlers' effects jamming up traffic and impeding construction operations at Brandon that gave Mr. Peters his opportunity to establish himself with Canadian Pacific officialdom. He was relieved of his duties as cashier in the Winnipeg office and despatched to Brandon to untangle the mess. And he did so within three days' time.

Mr. Peters has a grist of stories connected with his sojourn at Brandon during those frontier days. He tells how one day Van Horne, out on inspection over the line with a party of directors, burst into the station and demanded the operator. The operator was out at the moment and Mr. Peters volunteered his services.

"Get Chater on the wire and find out what that crop is in the field east of Chater station and south of our track."

When Van Horne gave orders, somebody always had to work fast and in speedy fashion the answer came through, 'Peas.' Mr. Peters did not have to transmit the message to the general manager. The key was open and his experienced ear caught the word 'Peas.' And the entire party roared with laughter when Van Horne explained that he had bet "McIntyre ten dollars that it was wheat and McIntyre had bet him something more that it was oats."

After seven years in the pioneer town of Brandon, Mr. Peters was transferred to Port Arthur and soon was made freight agent at Winnipeg, where he also spent seven years. Four years' service in the Kootenay country followed during the exciting days of the mining boom in the district and then Mr. Peters came to Vancouver as general freight agent. Two years later he was made assistant freight traffic manager of western lines and six years later saw him attached to the executive department at Winnipeg as assistant to the vice-president of western lines. In 1912 he was appointed to his present position in British Columbia.

A Good "Boss" to Work For

To meet the "genial" general superintendent, is to share and enjoy that fine quality of character that has won for F. W. Peters the reputation of being one of the most popular railroad officials in the Dominion of Canada. To work for Mr. Peters is to work from day to day in an atmosphere where good sportsmanship and fairplay are the rules of the game. To be a friend of Mr. Peters is to enter a sphere of joviality and rare good humor, of hospitality and generosity that mark him the perfect host.

As a story teller Mr. Peters has an enviable reputation. His keen sense of humor appreciates every good joke, even if the joke is on himself. One of his shooting "pals" retails the following yarn:

Mr. Peters' party were enjoying a duck shoot somewhere along the coast waters of British Columbia. Birds had been fairly scarce and as they waited for the evening flight, the hunters beguiled the time by potting at impromptu targets. One of the company as a joke had removed the shot from all of Mr. Peters' cartridges with the result that the superintendent's shooting went wide of the mark.

Turning the Tables

By some means or other, Mr. Peters learned the identity of the joker and, keeping his own counsel, slipped off quietly in the dusk and shot a nice, fat hell-diver. As every sportsman knows, the chief item on a hell-diver's daily menu is fish.

That evening, the cook on the superintendent's private car chuckled continuously while he religiously basted that plump hell-diver as it roasted in the small oven with a couple of brace of fine ducks. Later it came to the table looking for all the world like a roast duck and only the sly wink which Mr. Peters received from the faithful, sober faced Dave indicated to the boss which was the fishy bird.

Naturally, every man of the party was equal to a whole duck and the disguised hell-diver was served to the practical joker of the afternoon. Mr. Peters watched him take up his knife and fork to attack his "succulent" bird with the zest of a hunter's appetite. Then the superintendent's suppressed mirth on the verge of explosion died within him. The first mouthful of hell-diver was thoroughly masticated, swallowed and followed by every edible portion of that unfortunate water-fowl.

Dinner over, the general superintendent sought to clarify the situation. Like his target shooting during the afternoon his wonderful hell-diver joke seemed to have missed fire.

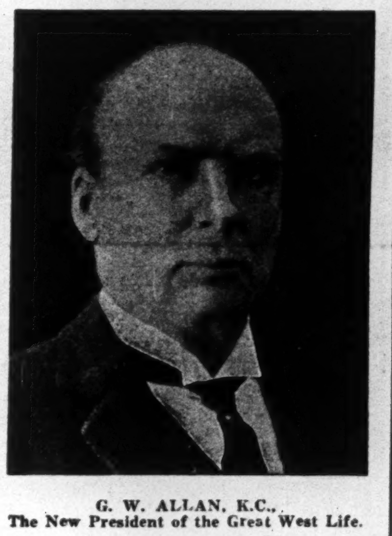
"How did you like your duck tonight?" he asked the culprit-victim.

"Absolutely the best roast duck I ever ate," came the enthusiastic reply.

Peters admitted defeat.

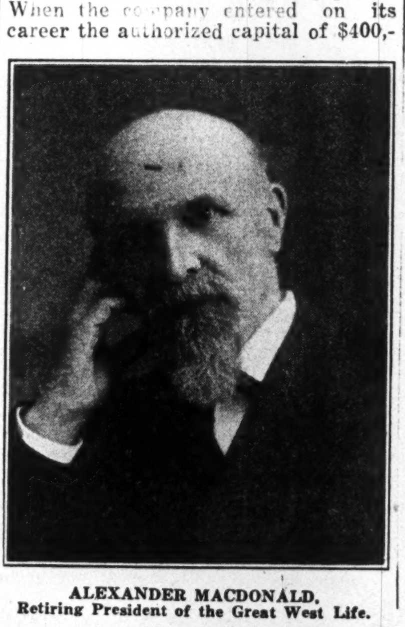
Great West Life Changes Rulers

IN CONNECTION with the affairs of the Great West Life Assurance Co. it may be said: The president has retired, long live the president. The old and new chief executives of this company are outstanding figures in Western Canada. Alexander Macdonald, who steps down, has held office as the company's chief executive since its inception thirty-three years ago. He is one of the most typical and picuresque figures in prairie history. George W. Allen, K.C., who steps into the vacancy, is generally recognized as perhaps the biggest man in the West to-day in the financial and business world. There is hardly a financial, industrial or commercial corporation of importance in Winnipeg with which he is not connected. Following are some of the companies on whose directorates he serves: Canadian Bank of Commerce, the Canada Permanent Mortgage Corporation, the Canada Permanent Trust Co., the Winnipeg Electric Railway Co., the Northern Trust Company, the Northern Mortgage Company of Canada, the Beaver Fire Insurance Co., the Manitoba Steel & Iron Works, the Manitoba Rolling Mills Co., the Manitoba Steel and Iron Company, Beaver Lumber Co., the Canada Cement Co., the Northern Land & Loan Co., the John McGregor Co., the Western Land & Loan Co., the Caledonian Investment Co., the Belgo Canadian Real Estate Co., the Northern Improvement & Investment Co., the Canada Land & Loan Co., the National Improvement & Investment Co., the Manitoba Land & Loan Co., the National Trust Co., the General Financial Corporation of Canada, etc., etc. He is also a member of the advisory board at Winnipeg of the Hudson's Bay Co., and takes an active part in the direction of that company's interests in Canada.



G. W. ALLAN, K.C.,
The New President of the Great West Life.

When the late J. H. Brock founded the Great West Life, with the high purpose of retaining western wealth in Western Canada and supplementing it with funds secured from outside sources, he gained co-operation of the outstanding men in Winnipeg of that time. As a man in whom the people had every confidence Alexander Macdonald was induced to assume the presidency. Since then the company has grown and prospered until it has become one of Canada's greatest financial institutions, and one of which the West is justly proud. When the company entered on its career the authorized capital of $400,000 was soon subscribed without a dollar being paid to stock salesmen, and no premium was charged to shareholders on their investment. The company started without a dollar of surplus over capital. This meant that the capital became impaired as soon as the first policy was issued with its attendant expense and so a situation at once developed which required the exercise of the most rigid economy. Healthy expansion was the result. The company extended its business from Western Canada to Ontario in 1892 and to Quebec and the Maritime Provinces shortly after. Some years later the American field was entered.



ALEXANDER MACDONALD,
Retiring President of the Great West Life.

For seven years there was no dividend distribution and no fees were paid to the directors; but a most liberal policy was adopted in the treatment of policyholders. The stock of the company has sold as high as 350 on the exchange.

The part played by Mr. Macdonald in the company's affairs may be indicated by the fact that his name has been signed to 200,000 policies, for a total of $420,000,000, which, as he said in announcing his retirement, would give comfort and relief to a multitude of persons at the time of their greatest need after he was dead and gone.

With less than $10 in his pocket Alexander Macdonald arrived in Winnipeg on a Red River cart from Minnesota in 1871. He went to work in a grocery store and from his small savings bought veterans' scrips. He turned these over for $3,200 and went into business. Partnerships proved unsatisfactory and he started out for himself, establishing a chain of Red River carts which plied the prairies in more or less competition with the Hudson's Bay Company stores. In 1890 he expanded his scale of operations. He conceived the idea of operating a wholesale grocery business without the aid of traveling salesmen, adopting instead a price list selling system. At the same time he took care of produce taken by the retailer from the farmer. Twenty-two years later ten wholesale grocery houses and a factory with an annual turnover of $10,000,000 were embraced in the project. In 1912 the business was largely disposed of but Mr. Macdonald at the age of 70, when most men are satisfied to retire, embarked on a new venture which in the next ten years became a merchandizing organization bearing his name with a $20,000,000 annual turnover.

George William Allen, the new president of the Great West, in addition to being one of the most active and prominent figures in the business West, as previously indicated, has played a prominent role in Western public life for many years. He was born in Toronto, son of Senator George W. Allen, P.C., and grandson of Hon. William Allen, member of the old legislative assembly of Upper Canada. He studied law with the Blake firm in Toronto and in 1882 formed the partnership of Munson & Allen, which has grown to be one of the big legal firms of the West. During the war he was a member of the Manitoba Returned Soldiers Commission, a member of the executive committe of Canadian Red Cross Society, member of the executive committee of the Belgian Relief Fund, director of the Winnipeg General Hospital, member of the Honorary Trade Commission of Great Britain, France, Italy and Belgium in 1916, representative of the Fuel Control of Canada for Manitoba 1917, chairman of the Manitoba Food Control Committee, 1917. He was elected member of the House of Commons for South Winnipeg as a Union representative in 1917.

Investments to yield 5% to 6½%

We issue periodically a list of seasoned securities yielding from 5% to 6½%.

An inquiry will bring you a copy of the current list and others to follow.

Cochran, Hay & Co., Limited
INVESTMENT BANKERS
TORONTO
Dominion Bank Bldg.
KITCHENER 83 King St. West
LONDON 392 Dundas Bldg.

Ranks These Canadian Business Papers First

There are many instances of Canadian leadership in the fields of production and industry. Yet we are often more prone to speak of the handicaps under which Canadian business labors than we are to speak of our outstanding successes—in the field of milling, paper production, packing—and many others.

Another instance where a Canadian firm stands in the very forefront of institutions of its kind throughout the world is emphasized by a letter received by the MacLean Publishing Co., Ltd., from a large United States concern.

Writing of the business newspapers published by the MacLean Publishing Co., F. S. Nichols, head of the merchants' service department of the National Cash Register Co., Dayton, Ohio, states:

"Perhaps you will be interested to know your magazines are looked over and read more thoroughly than any of the many others that come to us. I really believe we get more helpful suggestions from them than any of the others."

The value of testimonials depends largely on the source from which they come. The National Cash Register Co. recently made an issue of stock which put the cash value of $75,000,000 on their business. Mr. Nichols is constantly calling on retail merchants and has a staff of twelve men who are also in constant touch with them. It is part of his business to gather together and examine critically all matter published on retail merchandising. Commendation of this kind from him counts for something.

6.20%
from a High Grade Public Utility First Mortgage Bond

We have a small block of First Mortgage Bonds of one of the soundest Public Utility Corporations in Canada. They may be had to yield the very desirable return of 6.20%.

If you are interested phone or write for particulars. Elgin 3481.

J. L. Goad & Co.
LIMITED
J. Lawrence Goad,
Member Toronto Stock Exchange
Dominion Bank Building, Toronto

$254,000

City of Regina

5% Sinking Fund Debentures

Due January 1, 1941, October 1, 1955, January 1, 1956.

Principal and half-yearly interest payable in Montreal, Toronto, Winnipeg or Regina at the holder's option. Bonds may be registered as to principal.

Denominations—$1,000, $500 *and odd amounts.*

Assessed Value	$40,272,163.00
Net Debenture Debt	3,417,582.74
Municipality's Assets	17,507,870.84
Population—40,000.	Area—8,408 acres.

Regina, the capital of Saskatchewan, is the oldest and largest city in the Province. It is one of the best served railway cities in western Canada. Twelve lines of railways radiate in all directions furnishing an unexcelled service for both passenger and freight traffic.

Owing to its geographical situation in the heart of the grain-growing district of western Canada, and its unequalled railway facilities, Regina is said to be the largest distributing point for agricultural implements in the world.

PRICE; RATE TO YIELD 5.05%

A. E. AMES & CO.
LIMITED

Investment Securities

53 KING STREET, W., - - TORONTO 2
TRANSPORTATION BLDG. MONTREAL
BELMONT HOUSE . . VICTORIA, B.C.
LONDON BLDG. - VANCOUVER, B.C.
11 WALL STREET - - - - NEW YORK
GRESHAM HOUSE, OLD BROAD STREET
LONDON, E.C.2, - - - - - - - - ENG.

Business Established 1889

Your Investments

Questions of general interest submitted by subscribers of The Financial Post will be answered in this column, in which case only initials will be used. Other inquiries will be answered by mail. A three-cent stamp should be enclosed to cover a direct reply.

Tiger Tire

E. J. R., Ottawa.—I would like to hear about Tiger Tire and Rubber Co. I have written several times in the past two years, but got no reply.

Tiger Tire is in the hands of a liquidator. Standing ahead of the stock is an issue of $150,000 bonds said to be held chiefly by creditors. The impression is abroad that there is small chance of the shareholders getting anything.

Canada Steamship Bonds

A. M., Lethbridge.—I would like your opinion of Canada Steamship Lines 1943 bonds.

The debenture stock is a first charge upon the assets of the Canada Steamship Lines. The public holds $4,853,765 of these debentures and there is a further $7,580,720 deposited as security for the company's 7 per cent. collateral trust bonds. Last year, the earnings, after providing a reserve for depreciation, showed a small surplus over bond interest requirements, but we believe that during 1925 earnings have taken a decided upward movement. Incidentally, these bonds are redeemable in 1943 at 105.

Besco Common

J. W., St. Louis.—Can you please advise me about British Empire Steel common; is it worth holding? Is there any hope for an early improvement?

As we do not know at what price you bought your British Empire Steel common, it is rather hard to give you definite advice. With the stock selling so low, it seems to us that, should the corporation continue to experience better business, the holders of the common stock would stand to make more on their speculation than the holders of the other securities of the corporation.

Naturally, your holdings of Besco common are very speculative. During the last six months, Besco has experienced considerably better business and this, we learn, has been reflected in its earnings. Much depends on the corporation's negotiations with its miners. If Besco is successful in arranging a reasonable wage scale with its employees next month and if the present level of business holds, and it looks as if it would, there is the possibility of the stock undergoing a further appreciation.

On the other hand, you may have purchased your holdings at around 1½. If that were so, you have a nice profit already and it might be advisable to sell.

It seems to us that any rise in the stock would be very slow, but on the other hand, it only has to move up a point in order to increase your investment by one-third.

This stock is so speculative that we are at a loss, not knowing your financial position, to advise you one way or another.

Automobile Insurance

F. S., Ontario.—Re automobile insurance. Please inform me who are the five largest Canadian companies, and their addresses.

The five companies that in 1924 wrote the largest volume of premiums in automobile insurance in Canada were:

General Accident Assurance Co., Toronto, $319,500; Globe Indemnity Assurance Co., Montreal, $307,900; Employers Liability Assurance Co., Toronto, $301,000; Ocean Accident, Toronto, $288,700; London Guarantee and Accident Assurance Co., Toronto, $226,000.

Northwestern Mutual

W. C., Nova Scotia.—Will you be good enough to advise me through the inquiry column of The Post the status of the Northwestern Mutual Fire Association of Seattle. This company is canvassing for business in Nova Scotia. What amount of insurance has it in force in Canada and elsewhere? What surplus of assets over liabilities and total of surplus at head office? Do you recommend it in competition with Canadian or English tariff companies?

At the end of December, 1924, the North Western Mutual Fire Association had total assets in Canada of $681,000 and had deposited with the government $445,000 for the protection of Canadian policy holders. Its liabilities in Canada were calculated to be $343,000. Insurance in force in Canada at that time amounted to $36,885,000 for fire; $14,600 for automobile of one class, $18,700 for automobile of another class.

The general statement of the company as a whole showed assets of $2,604,000 and liabilities $2,068,000, with a surplus over all liabilities of $535,000, Total business in force was $291,891,000.

We do not attempt to advise as between the purchase of mutual and tariff insurance. Recent criticisms of the latest commission paid by the tariff companies have given some impetus to mutual insurance, but the insurer in a mutual company must always recognize that he becomes a partner and is liable for theoretical risk beyond the amount of his premiums paid and that this theoretical risk becomes very real in the case of the companies that are not financially sound.

We might point out that some of the mutual companies are now issuing non-assessable policies in which the liability of the assured is limited to the amount of his premium. Some people question the legality of these policies, but there seems to be very best reason to believe that they may be properly issued.

Jamaica Public Service

A. M., Lethbridge.—I would like to get your opinion of Jamaica Public Service Co. preferred shares, as they were recommended to me as a safe purchase.

We believe you would do well to purchase the preferred stock of the Jamaica Public Service Co. which at present prices gives you a handsome yield. You will see from the monthly statement of earnings, published by the company, that its revenues applicable to the preferred stock are considerably above the requirements of the issue; in other words, the earnings on the stock are more than ample. Furthermore, this company is located in a well governed British colony, which is not subject to disturbances of a nature which would interfere with its earning power.

St. Maurice Valley Corporation

S. A. H., Revelstoke.—Will you please favor me with your opinion respecting investment in the St. Maurice Valley Corporation seven per cent. sinking fund preference shares?

An investment in the 7 per cent. sinking fund preference shares of the St. Maurice Valley Corporation will give you securities which, over the last five years, show earnings equivalent to over three times the annual dividend requirements. In addition, these shares are being sold with a bonus of common stock, which lends speculative attraction to the investment. Such an investment gives you a good return on your money in a capably managed organization. The two predecessor companies of the St. Maurice Valley Corporation were well regarded by investors.

Canadian Mortgage

Manager, Toronto.—I have been given the proxy of an institution holding shares in the Canadian Mortgage Investment Company. Would like to know the names of the directors, the dividends paid in the past, the selling value of the stock at present, etc.

The Canadian Mortgage Investment Company is a sound, conservatively-managed loaning company, but like all similar institutions, particularly those making loans in Western Canada, it has been affected in relation to its earnings by the conditions which have prevailed in recent years. This refers to the higher rate of interest on debenture borrowings from the public, depressed agricultural conditions and a tendency to lower mortgage rates, with government competition and government interference with legislation affecting mortgage security. As a result earnings have declined and the dividend rate was reduced from 6 per cent. to 5 per cent. commencing January, 1924. Earnings, which represented 7.75 per cent. on the average paid-up capital in 1920, were reduced to 7.17 per cent. in 1921, 5.26 per cent. in 1922, 6.75 per cent. in 1923 and 5.12 per cent. in 1924.

The company's assets amounted to $2,161,628 as indicated in the annual report for 1924. Of this amount $506,086 was in obligation to the public, $1,244,766 in paid-up capital, $350,000 in reserve and $30,612 surplus profits. Investments included $1,004,077 in mortgages, $609,311 in stocks and bonds, $274,261 in office premises, $194,934 in real estate acquired by deed or foreclosure, $30,938 in accounts receivable and $48,105 cash.

The directors include H. S. Osler, K.C., president; Britton Osler, K.C., vice-president; Richard W. Look, Hon. Wallace Nesbitt, K.C., C. W. Beatty and George D. Perry, all of Toronto.

The shares of the company are not listed, but quotations among unlisted dealers indicate a price of about 65 bid.

Wayagamack Pulp

Subscriber, Revelstoke.—I would like your opinion of Wayagamack Pulp and Paper common stock.

The stock of the Wayagamack Pulp and Paper Company has in recent months undergone a considerable appreciation on the market. This was due to earnings of over 11 per cent. on the stock during the past year, as compared with earnings of less than 2 per cent. on the capital stock in 1924. The better results which the company obtained from its operations during 1925 were due to the bettered markets for sulphate pulp and the wider demand for the company's output of kraft paper.

Since the close of the fiscal year on November 30, 1926, the company has materially increased its production by the daily output of 200 tons of newsprint. Previous to this, its production was 260 tons of sulphate pulp and 125 tons of kraft paper. The company's newsprint output will increase its gross revenue, without a corresponding increase in its operating costs; therefore, it is thought that earnings during the current year will take another decided move upward. Although Wayagamack is not paying dividends, you can see that the outlook for their resumption is decidedly favorable.

Union Mutual Casualty

A. M., Toronto.—I have received some literature regarding the Union Mutual Casualty Co. What is your opinion of this company? I am already insured in a British company.

The Union Mutual Casualty Co., Des Moines, Iowa, is not licensed under either the Dominion or Ontario Insurance Acts. We do not know just exactly what is meant by the phrase on the letterhead, "Fully authorized to write disability insurance by mail in the United States and Canada." However, there is no law in this province to prevent insurance companies outside from writing by mail. The amount of insurance so written is so small that it is doubtful if any legislation will be passed to stop them.

The company is a small one and not yet strong financially. It has not been in business a sufficient number of years to build up strong reserves. Evidently this company is building up its business on the basis of taking select risks in order to keep losses low and of doing business by mail in order to keep the expense ratio down.

There is always a weakness in dealing with a company not licensed in Canada that must be recognized. It is that you have no protection in Canada under government control should the company run into difficulties or even default on its payments.

You are simply in the position of deciding if you want to do business with a small company that is not licensed in Canada in order to save a few dollars on your insurance. Quite likely you would have a satisfactory experience. Time alone would tell.

Follows Mines Through The Post

"For many years I have been a constant reader of your splendid paper. I look upon The Financial Post as an authority on any subject it comments on. At present I am very much interested in your mining page as I have been interested since 1907 in several mines in Northern Ontario. I believe Ontario will become one of the greatest mining provinces in the world, and news regarding the mining situation of Northern Ontario that you are giving the public through the colums of The Financial Post I am sure is appreciated by every reader of your valuable paper."

—*An Ontario Investor.*

Government Guarantees Jobs for Patrons of National Railways

OTTAWA.—An advertisement guaranteeing on behalf of the Canadian government employment in Canada for immigrants and appearing in an English paper was recently brought to the attention of Parliament by Hon. J. W. Edwards. The advertisement appeared in the Hereford Times as follows:

Three pounds to Canada. Guaranteed employment by Canadian government. Apply to R. Wood and Company, shipping agents, 43 Broad Street, Hereford.

Dr. Edwards' specific questions and the replies made subsequently by Hon. Charles Stewart, Minister of the Interior, follow:

Dr. Edwards: First, will he indicate the kind of employment guaranteed and where it is to be found, in order that Canadians out of work may have an equal chance to obtain such employment.

Mr. Stewart: To the first question, the employment guaranteed by the government is employment on the land or in domestic service.

Dr. Edwards: Second, if the minister repudiates the alleged guarantee, what steps have been taken or what steps is it proposed to take to stop the bringing of immigrants to Canada under false pretences?

Mr. Stewart: The answer to the second question is explained by the answer to the first.

Dr. Edwards: Third, are R. Wood and Company bona fide agents of the government or of the Canadian National Railways?

Mr. Stewart: The answer to the third question is that R. Wood and Company are shipping agents. They are not agents of the government and so far as I am aware are not paid agents of the Canadian National Railways. There are in the British Isles probably 2,000 to 3,000 agents that are known as shipping agents. These agents usually do business for half a dozen or more steamship companies. They work on a commission basis, the commission being a certain amount on the sale of tickets. The same agents usually represent shipping lines to all parts of the world.

Dr. Edwards: I also wish to direct to the attention of the minister an advertisement in the same paper by the Canadian Pacific Railway, as follows:

Three pounds to Canada for approved applicants by Canadian Pacific, to Canada and the United States.

The advertisement goes on to give the sailings of vessels to New York and to St. John. I wish to ask the minister in this connection if the moneys of Canada which should be properly used to supplement the special rate to Canada are to be used also to help finance the bringing of immigrants to the United States.

Mr. Stewart: The Hon. Dr. Edwards also drew attention to a Canadian Pacific Railway advertisement in the same paper and interpreted it to mean that the company is advertising £3 to Canada and the United States. I return the advertisement. The explanation is that the Hon. Dr. Edwards' interpretation is not correct. The rate is only to Canada, and, further, the rate is never given except to a Canadian port. What the advertisement means is that the first part of it relates to the special rate applicable to agriculturists and domestics coming to Canada. The balance of the advertisement merely list Canadian Pacific Railway sailings both to Canada and the United States.

Analyzing Famous Players 8% Preferred

We have prepared a special memorandum reviewing the progress made by Famous Players Canadian Corporation — Canada's greatest and most successful theatre enterprise — and outlining the investment value of the corporation's 8% First Preferred Shares.

We will gladly foward a copy of this memorandum to you upon request. Address:

Royal Securities Corporation
LIMITED
164 St. James Street, Montreal
Toronto Halifax Saint John Quebec
Winnipeg Vancouver New York

POST-Scripts

THE old lottery game is again being worked in this country. This time it is in the form of a circular from Denmark, bearing the somewhat cryptic headline, "Come Again to America, Ye Danish Millions!"

The circular offers Canadians the opportunity of participating in a state guaranteed lottery in Denmark. Tickets can be purchased for $40 or a quarter ticket for $10. The first prize is $180,000.

There is no doubt that many will fall for the opportunity of taking part in this lottery, unless something is done to check the circulation of such publicity through the mails.

HOW quickly the average motorist of to-day takes to the auto fads and decorations that appear on both the low and high-priced cars! Last year it was the bathing girl figure that became such a craze, and pretty soon every Ford, Chevrolet, or Star to be seen had a bathing girl on the windshield or rear window.

Swapping radiators caps of the cheaper cars for those of the more expensive variety seems to be in vogue this year. It is now no uncommon sight to see a Ford or a Chevrolet bearing a Chrysler or Packard radiator cap. The Pontiac car comes equipped with a bronze Indian head radiator cap which makes a very attractive emblem for a desk weight, or other purposes. The Pontiac Co. has lost hundreds of radiator caps from cars shipped by freight to its dealers, and the avidity of the people with pilfering proclivities has become so great, says the Wall Street Journal, that the company now ships its cars without radiator caps, and subsequently expresses them to the dealer, to insure safe delivery.

AMERICAN BANK NOTE CO. is the latest of the large industrial organizations which have experienced the utility and helpfulness of the Bell Telephone System's invention of transmitting photographs by long distance telephone wires, says the Wall Street Journal.

Relating the company's experience, Daniel E. Woodhull, president of the American Bank Note Co., says the telephone company's facilities for transmitting photographs proved a real friend in a time of need and indicated still another field of service for this new invention.

"About the middle of January," Mr. Woodhull stated, "we received authority from a client in California to proceed with the preparation of a large quantity of stock certificates. The time allowance for delivering the certificates was rather short considering the work involved in getting corrected proofs, preparing the steel engravings, printing the actual certificates and making delivery.

"In this emergency we decided to try the American Telephone & Telegraph Co.'s new system by sending a telephotograph of the stock certificate model to our San Francisco office. It was sent immediately and the next day we received word from the client that the model was approved and we started work immediately on the engravings.

"The prints of the telephotograph approved by our client were sent back for our inspection arriving in New York on January 25. They were very clear. Work of printing the certificates is now in progress and all of us have nothing but commendation for the Bell System's latest achievement."

ANOTHER blow to the traditional picture of the rough and ready north! To Dry Goods Review, a sister publication of The Financial Post, comes a request from a merchant in Kapuskasing, Ontario, who wants the address of a firm from whom fencing foils can be bought. The merchant reports that there is quite a demand for them in the town.

Is the chivalrous sport of the young bloods of past generations to oust the bloody fist fights of the North that the movies have made us accustomed to? Or are the motives wrong, as usual, in their picture of the North country? To any one who has been in Timmins, or Iroquois Falls or Kapuskasing the answer is apparent. The movies are wrong.

A SPINSTER living in a London suburb was shockd at the language used by workmen repairing telegraph wires close to her house. She wrote to the company, and the foreman was asked to report. This he did in the following way:

"Me and Bill Fairweather were on this job. I was up the telegraph pole, and accidentally let the hot lead fall upon Bill. It went down his neck. Then he said: 'You really must be more careful, Harry'."

An unique catalogue for investors

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The Kingdom of Italy has a population of approximately 40,000,000, with eighteen cities of more than 100,000 inhabitants, the largest of which are Milan, Naples, Rome, Turin, Florence and Venice.

Italy is a very important agricultural country with a great diversity of products. Under the forceful leadership of M. Mussolini, the country has made remarkable progress in general reconstruction work. The Government deficit has been changed into a surplus, the floating debt has been reduced and the budget balanced. There is a steady industrial expansion.

The debt funding agreements recently concluded by Italy with Great Britain and the United States have created a very favourable impression throughout the world, and may be construed as being indicative of the willingness and determination of the Italian Government to meet its obligations. Italy is today properly and efficiently exploiting, as never before, her greatest asset — man power.

Price 94½ and interest N.Y. to yield about 7.48%
(Subject to prior sale and change in price)

Principal and semi-annual interest (June 1 and December 1) are payable in United States Gold Coin in New York City at the office of J. P. Morgan & Company, without deduction for any Italian taxes present or future. Coupon bonds in denominations of $100, $500 and $1000, not interchangeable. A circular giving full particulars of this issue will be sent upon request. Write our office nearest you.

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110

News of the Investment Market

HEAVY BUYING OF INDUSTRIAL BONDS BY INSTITUTIONS

Few New Municipal Issues—Bidding Keen and Prices Firm

Not more than three or four new municipal issues came forward this week, and these were relatively small, the largest being the $120,000 issue of the city of Kingston. Bidding in each case was quite active. Investment banking houses report that the institutional buyers are taking large quantities both of municipal and of corporation bonds. Prices remain quite firm and demand for bonds of a 5 per cent., yield or better is keen. The present volume of financing measures up fairly well with that of other years at this time.

The present scarceness of bond issues combined with the surplus of available funds leads to a keen scrutiny of the relative value of various issues from a standpoint of yield, assuming similar security. In addresing the Board of Trade Club this week, J. W. Mitchell of the Dominion Securities Corporation stated that "if you buy investments which are safer than your position necessitates, you are wasting money," indicating that one's present holdings should be taken into account when making a new investment. It would be just as bad investing for an individual with very large holdings of stable securities to add more low-yield securities, as for a man without any safety margin to sacrifice security for high yield. Mr. Mitchell pointed out that no security is 100 per cent. safe. but that a certain degree of risk inevitably attaches to the purchase of any bond or stock. The investment banker should know his client and be able to "prescribe" what was the best type of investment for any particular client.

Attention was drawn to the utter absurdity of listening to tips before investing. One of the sad sides of the story of Canadian investment and speculation is the result of wild-catters selling their worthless stocks on the basis of wild promises to gullible buyers. Thousands and probably millions have been lost by those who are least equipped to lose, in this way. There are reliable sources of information if the speculator would take the pains to enquire from one of these recognized sources.

In drawing a distinction between investment and speculation, Mr. Mitchell illustrated the former as money lent on good faith to some government or corporation. The price paid for such a security depends upon such factors as safety, marketability, collateral, length of term, tax privileges and so on. Speculation, on the other hand, depends on the reasonable conviction of the buyer that there would be some appreciation in the value of the security in question.

Taking the same question a step further into the matter of diversification, a current letter published by the Guaranty Trust Company says:

> Practically any investment of capital involves risk, of course; but it is the degree of risk assumed that distinguishes investment from speculation. Hence, the wise investor, to whom security of principal and regularity of income are the cardinal objectives, seeks to minimize risk as far as possible.
>
> There is no better means of accomplishing this than through diversification; for in broad, well-planned diversification, practically all calculable risks may be eliminated by offsetting probable changes against each other.
>
> The investor may place his funds wisely in the securities of a variety of well-managed corporations that have a record of sustained earning power. He should select those of concerns in different lines of enterprise whose business covers a large territory.

Bloor-St. George Realty To Build New Apartment

Bloor-St. George Realty Limited, will shortly build a thoroughly modern four story apartment house containing 76 suites at the corner of St. George and Bloor Sts., Toronto, on the site of "Dunedin," one of the old landmarks of the city. The financing is in charge of Stewart, Scully & Co., and Gairdner & Co.

The sale of the property was made by Mrs. W. Campbell Macdonald. The fine old home which has been a landmark in Toronto for nearly 40 years was bought by Mrs. Macdonald's father, Frederick Wyld, in 1888, from Warren Kennedy, one-time mayor of the city. At that time Bloor St. was the north city limit, and a sand road difficult to travel. The village of Yorkville extended from the vicinity of Yonge St. to Avenue Road, and what is known as the annex was mostly vacant land, west to Seaton Village, near Bathurst St.

Toronto's residential district then included such streets as Beverly, Pembroke and lower Jarvis Sts., and Mr. Wyld's friends thought his new home was too far in the country. Few people in 1888 dreamed of the remarkable growth of the city, or that "Dunedin" would be so centrally located to-day.

Full details of the new issue will be announced shortly.

BETTER BUSINESS IN WEST

MONTREAL.—The current number of "Investments" published by Nesbitt, Thomson & Co., contains an article which sums up the improved business conditions in the Canadian west and which indicates the effect of the improvement on the earning power of the Winnipeg Electric and its subsidiary companies.

The article deals with the reasons for the bettered outlook and says:

"But it is not only in wheat that the current crop shows a marked improvement over last year, adding to the wealth of the prairie provinces and incidentally building up the trade of Winnipeg. The table below provides a few more favorable comparisons:

	1925	1924
Wheat (inspect. to Dec. 31) ...	$352,521,728	$215,450,123
All grain crops	392,496,147	263,583,435
Stockyard returns	52,926,793	36,728,595
Dairy returns	57,577,446	55,255,481
Field crops ...	32,803,000	25,987,000
Wool (Co-operative) ..	550,000	355,716
Honey	659,908	200,000

FOREIGN POWER BOND OFFERING IS MADE

Canadian and United States Investment Houses Co-operate in International Power

From Our Own Correspondent.

MONTREAL. — A syndicate, composed of Canadian and U.S. investment houses, is offering $5,000,000, ten year, 7 per cent. bonds of the International Power Securities Corporation. This company was incorporated in 1923 in the United States and was organized to acquire securities and obligations of public utility companies operating both on this continent and overseas.

The corporation's present authorized share capitalization is $5,000,000 of which $1,000,000 has been paid up and the balance is subject to call. In addition to the present $5,000,000 issue, which is known as series "D," the corporation has outstanding a total of $14,000,000 in 6½ per cent. bonds which are known as series "B" and "C."

These bonds, of series "D," are direct obligation of the International Power Securities Corporation and will be specifically secured by the obligation of the Italian Gas Co., and three of its most important subsidiaries.

Security Behind Issue

The deed covering the obligation of the Italian companies will provide, as additional security that there be deposited with the trustee shares of some of the allied companies which have a present market value in Italy of $10,380,000. The Italian Gas Co. was organized in 1838 and is the largest and most successful company in the gas and by-product chemical field in Italy. It has a controlling interest in many other gas companies in the industrial sections of Northern Italy. The present financing will allow the Italian Gas Co. to pay off its floating indebtedness and to extend its plant. The earnings of the Italian Gas for the year ending March 31, 1926, are estimated to be not less than $1,000,000 or over 2.8 times the total annual interest requirements of the present issue. The purchase of each $1,000 bond of this issue carries with it the right to purchase 20 shares of the stock of the Italian Gas Co. The price at which this stock may be obtained varies with the date at which it is purchased.

BOND MOVEMENTS OF THE WEEK

WEEK ENDING FEBRUARY 9

	Int. Rate	Due Year	Yield	Range 1925 High	Range 1925 Low	Range 1926 High	Range 1926 Low	Ask	Latest Price Bid	Latest Price High	Latest Price Low
Asbestos	5	1942	5.26	99	80¼	97	92	—	96⅛	97	96
Can. Canners	6	1950	6.40	96¼	90	95½	94	95	94½	95	94½
Cons. Rubber	6	1946	5.85	101	95	101¾	101¾	102	—	101¾	—
Montreal Trams (A)	5	1955	5.44	98¾	92¾	93½	92½	93½	93	93½	93
Penmans	5	1926	5.00	99	98	100	99⅛	—	100	100	—
Quebec Rly.	5	1939	5.62	98	89¾	94	91⅞	94	—	94	93
Sher.-Williams	6	1941	5.43	104	101¼	106	105¼	—	105	106	—
Steel of Can.	6	1940	5.31	106	103	107	106	—	107	107	—
Wayagamack	6	1951	6.39	98¾	84¼	95	92	95	94½	95	92½
War Loan	5	1931	4.56	102.65	101.10	102.40	101.80	102.35	102.25	102.20	102.00
Do.	5	1937	4.53	104.95	103.80	104.60	103.85	104.55	104.40	104.60	104.20
Victory Loan	5½	1927	4.40	103.15	101.70	102.40	101.85	102.35	102.25	102.20	102.00
Do.	5½	1933	4.65	107.00	105.10	106.05	105.10	106.15	106.05	106.05	105.75
Do. "	5½	1934	4.94	104.80	103.20	104.10	103.65	103.95	103.85	104.00	103.75
Do. "	5½	1937	4.55	110.00	108.15	109.15	108.55	109.20	109.10	109.15	108.95
Do. Refund	5	1928	4.86	101.45	100.15	100.90	100.55	—	100.80	—	—
Do. "	4½	1940	4.83	97.25	92.20	96.50	96.30	96.55	96.45	96.50	96.37
Do. "	5	1943	4.85	102.90	101.15	101.75	101.40	101.65	101.55	101.75	101.50
Do. "	4½	1944	4.77	97.75	96.20	97.15	96.40	96.85	96.75	97.00	96.65
Do. Renewal ...	5½	1927	4.90	102.95	100.80	101.70	101.20	101.60	101.50	101.45	101.30
Do. "	5½	1932	4.96	104.20	102.65	103.35	102.65	103.35	103.25	103.15	102.90

WE WISH TO ANNOUNCE THAT

MR. T. H. ROADHOUSE

HAS BEEN ADMITTED TO
PARTNERSHIP AND ELECTED
A DIRECTOR OF THIS FIRM

DOHERTY-EASSON CO.
LIMITED
INVESTMENT BANKERS
21 KING STREET EAST TORONTO

GT. NORTHERN PLAN HAS BEEN RATIFIED

Exchange of Bonds, Par for Par, Proves Satisfactory to Bondholders

From Our Own Correspondent.

MONTREAL.—The reorganization plan for the Great Northern Power has been approved by the bondholders of the company. The plan, which should prove very satisfactory to the bondholders, involves the formation of a new company to be known as the Great Northern Power Corporation.

The old company was unable to meet the interest payments on its funded debt, of which there was $850,000 outstanding. The bondholders foreclosed the mortgage on the property and acquired the entire equity in the undertaking. The capitalization of the new company is as follows:

	Authorized	Issued
6% 1st mort., 20 yr. bonds	$1,560,000	1,030,000
Com. stock (no par value	shares 12,500	shares 12,500

This capitalization will allow the new company to purchase the undertaking from the bondholders. The price to be paid the bondholders in the old company for the undertaking is as follows:

In cash	$ 29,500
In new 6%, 20-year bonds	$926,500

In new common stock of no par value, 4,250 shares.

To Exchange Par for Par

This means that each bondholder in the Great Northern Power Company will receive, par for par, new 6 per cent. bonds in place of the former bonds bearing 7 per cent., and also a 50 per cent. bonus of common stock in the new company. The interest on the old bonds, which is in arrears, will be met by a cash payment for arrears of interest up to May 1, 1925; interest arrears since that date will be met by bonds of the new company.

The new company will lease all its assets to Northern Canada Power for twenty years. The latter will deduct from the gross revenues annually the sum of $20,000 with which to meet operating expenses on the property; revenues over and above these operating charges, up to a maximum of $100,000 annually, will go to the new company.

Under the contract, it is estimated that the Great Northern Power Corporation will obtain an annual revenue of not less than $75,000, which is nearly $15,000 in excess of the interest requirements of the bonds.

Bondholders will be satisfied with the plan which has been entered into on their behalf; although the interest return on their new bonds is 6 per cent., as compared with 7 per cent. on the original issue, yet current interest rates have fallen considerably since the original bonds were first sold. They also obtain a satisfactory bonus of common stock in the enterprise.

The reason the new company will be able to earn its interest requirements lies in the agreement with the Northern Canada Power; the latter has turned over two of its customers to the Great Northern Power Corporation, the Castle-Trethewey Mines and the Tonopah Canadian Mines.

The disposition of the securities of the new company is as follows:

First mortgage bonds	
To bondholders in predecessor company	$ 926,500
Sold to provide cash	103,500
	$1,030,000

Common stock	shares
To bondholders in predecessor company	4,250
To underwriters of the bonds .	2,000
To Northern Canada Power company	6,250
	12,500

ROADHOUSE JOINS DOHERTY, EASSON CO.

The appointment of Thos. H. Roadhouse as a director and partner of the investment banking house of Doherty, Easson Company has been announced this week.

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LIMITED.
Canadian Government and Municipal Bonds. Listed Stocks.
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Cumulative Dividends $7.00 per share per annum.

This Company with plants in Canada and the United States is one of the largest producers of newsprint and paper products in the world.

PRICE: $100 and Accrued Dividend per share carrying Voting Trust Certificate for one share (No par value) Common Stock.

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6% Gold Bonds
Due January 1, 1951

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Amount	Security	Rate	Due	Price	Yield
$12,000	City of Edmonton	5½%	1956	101⅜	5.41%
50,000	City of Edmonton	5½%	1945	101	5.42%
9,000	City of Edmonton	5½%	1936	100½	5.44%
10,000	Canada Paper Co.	6%	1945	100	6.00%

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312 Bay Street, Toronto 2 Telephone: Elgin 2301

Established 1889

ASSETS DOUBLED IN LAST FIVE YEARS

Great Advances made by The Dominion Life

Increases recorded in 1925 were the largest in the 37 years of the Company's history.

Profits paid to Dominion Life Policyholders over a long period of years have been so consistently high as to commend this Company to all who are interested in Insurance Protection

37th Annual Statement

	1920	1925
Total Assets	$6,167,935.82	$12,375,516.04
Total Cash Income	1,897,742.68	3,462,837.56
Total Paid Policyholders	529,198.22	1,043,950.00
Surplus	427,611.86	1,602,032.86
Reserves	5,240,657.00	10,228,212.00
Assurances in force	45,348,869.00	81,677,030.00

Write for a Copy of the Annual Report

The DOMINION LIFE ASSURANCE COMPANY.
Head Office: WATERLOO, Ontario

130

The Wawanesa Mutual Insurance Company

CASH STATEMENT December 31, 1925

Cash Balance, December 31, 1924		41,183.88	
Cash Premiums	112,755.58		
Assessments	548,133.91		
Interest	20,823.55		
Reinsured Losses	2,358.30		
Total Receipts		684,071.34	
Capital Receipts—			
Dominion Gov't. Bonds sold	78,728.00		
Mortgages paid	5,287.19		
Policy Fees	146.95		
		84,162.14	
Expenditure—			
Losses	250,399.47		
Rebates	7,702.65		
Reinsurance	20,050.85		
			278,152.97
Management—			
Commissions	76,707.75		
Salaries, Directors, Audit	35,216.87		
Adjusting and Inspecting	23,130.28		
Postage, Telegrams and Express	9,346.73		
Fuel	740.28		
Taxes, Tax Stamps, Licenses	5,850.06		
Printing, Stationery & Advtg.	10,889.74		
Caretaking	748.60		
Treasurer's Bond & Insurance	282.38		
Office Expense	982.83		
Interest and Exchange	1,964.91		
Legal Fees	1,181.31		
Travelling Expense	606.85		
Library	78.05		
			167,726.64
Capital—			
Securities purchased	190,450.10		
Mortgages, Taxes, Insurance, etc.	3,685.31		
Policy Fees	463.50		
Reinsuring Companies Balance	924.93		
Advances, Agents, etc.	4,831.48		
Office Equipment	1,955.66		
			202,310.98
Balance on Hand			
Royal Bank	128,682.36		
Deposit in Trust Co.	25,000.00		
Cash	7,544.41		161,226.77
		$809,417.36	$809,417.36

BALANCE SHEET, DEC. 31, 1925

ASSETS:			
Cash on hand		$161,226.77	
Premium notes unassessed		1,254,567.14	
Assessment 1924 unpaid		36,394.92	
Assessment 1925 unpaid		63,398.20	
Real Estate and Buildings less 15 per cent		13,600.00	
Furniture, less 10 per cent		7,708.90	
Premium in Agents' hands	(cost)	6,878.82	
Provincial Government Bonds	25,000.00	27,000.00	
Manitoba Farm Loans	30,000.00	30,900.00	
Saskatchewan Farm Loans	15,000.00	14,250.00	
Winnipeg Water Bonds	48,165.00	50,500.00	
Can. Perm. Mort. Corp. Debs.	25,000.00	25,000.00	
Railway Bonds	271,010.00	278,431.12	
Municipal Bonds	34,140.10	34,140.10	
Mortgages	......	31,131.05	
Interest Accrued		10,274.20	
Unexpired Reinsurance Premium		15,454.46	
Accounts receivable		1,902.43	
LIABILITIES:			
Reserve for unearned premiums			134,437.39
Policy Fees			146.95
Losses Unadjusted			13,593.50
Surplus			1,914,585.27
		$2,062,763.11	$2,062,763.11

Winnipeg, Manitoba.

The Wawanesa Mutual Insurance Co.,
Wawanesa, Manitoba.

Gentlemen:

I certify to having audited the books and accounts of the Wawanesa Mutual Insurance Company for the year ending December 31, 1925, and that the attached Balance Sheet fairly shows all liabilities and assets and agrees with the books.

I have examined the securities or vouchers for same, counted the cash and verified the bank balance.

The following statements are attached: (1) Report. (2) Cash Statement. (3) Balance Sheet.

The Cash Account shows an increase of $120,000 on hand and the securities a net increase of $111,700. The securities have been carefully selected and especially the railway bonds which are all covered by Government guarantee and seem to be profitably bought.

Yours respectfully, C. D. CORBOULD, C.A.

MANITOBA POWER ISSUE SOLD

MONTREAL.—Nesbitt, Thomson and Co., investment bankers, announce that the Canadian allotment of the $10,000,000 Manitoba Power 5½ per cent. bond issue, publicly announced last Friday, has been over-subscribed. A New York despatch states that the American allotment had all been taken up.

Municipal and Provincial Finance

YEAR'S DEFICIT IN NEW BRUNSWICK TOTALS $756,589

Liquor Revenue Declines as Highway and Railway Costs Mount

The generally depressed condition of business, along with railway difficulties and disappointing results from the public operation of liquor stores, are contributing factors in the rather large deficit which is shown by the province of New Brunswick for the fiscal year ending October 31, last. Furthermore large expenditures on account of highway improvement and construction were deemed necessary. According to the published statement total liabilities at the date specified amounted to $36,094,802. The funded debt was $32,345,909 as against $30,707,909 a year ago. Expenditure during the year exceeded the revenue collected by $756,589, and of this amount $269,470 was on account of the operation of the St. John and Quebec Railway. Total expenditures amounted to $4,154,730 and revenue $3,398.140.

Although there is nothing to indicate a decline in the consumption of intoxicants, there was a heavy falling off in the revenue of the New Brunswick Board of Liquor Commissioners, as has been the case elsewhere. More than half a million dollars was spent on road construction and patrol service, while expenditure on ordinary bridges totalled $374,033 or considerably more than double the estimate of $150,000. It is argued that the development of the tourist business both warrants and makes necessary such an expenditure. In addition to these ordinary current expenditures for roads and similar purposes there are several items which may be classed as extraordinary expenditures. Some of these are:

N. B. Elec. P. Com.	$ 238,889.10
Permanent Bridges	553,522.31
Permanent Roads	1,403,286.79
St. John & Quebec Ry. deficits 1924, charged to capital	258,000.00
Grant to U. N. B.	25,000.00
Vocational Educational Buildings	29,441.33

The heaviest expenditures of the year were made in the Department of Public Works where $1,010,239 was spent. This represents an increase of about $87,000 over the previous year. The Department of Education called for $448,116 and $58,109 additional for vocational training. Legislation cost $72,313 and the Department of Agriculture, $125,561. Land and Mines Department took $204,829 and public health $102,152.

The consolidated balance sheet of the province as at the end of October shows the bonded debt to be $32,345,909, as already indicated. This means that the bonds of the province have been issued to this extent, but the province holds its own bonds in sinking fund having a par value of $1,621,449. This amount is therefore deducted. There are further assets over against the net debt of the province. Railway investments, for example, are set down at $8,092,432; permanent bridges and roads are $8,547,623 and $7,429,171 respectively. Then $3,750,462 is invested in power development carried on by the New Brunswick Electric Power Commission. An amount of $3,205,986 is set down as other capital expenditure, being the balance of expenditures from the proceeds of bonds issued, consisting of revenue deficits, subsidies to railways, buildings, wharves, etc. An uncertain item of $1,141,953 is added as the deficit on ordinary revenue account.

Apart from the items mentioned, the revenue appears to have been well maintained. The largest item is that from lands and mines which totals $1,213,396. The Liquor Commission returns were $329,114 against $426,017 the previous year. Motor vehicle revenue amounted to $500,592 as against $450,571 in 1924.

This Week's Bond Sales

ST. JOHN, N.B., BOND SALES

The Royal Securities Corporation was awarded the $90,000, 4½ per cent. bonds issued by the City and County of Saint John, N.B., with a bid of 95 for all maturities.

PRINCE RUPERT ISSUE

An issue of $89,650 Prince Rupert, 5½%, serial, one to ten-year debentures, has been awarded to A. E. Ames & Co., on a bid of 97.51. Following are the bids:

A. E. Ames & Co.	97.51
Royal Financial Corp.	97.26
Pemberton & Son	96.262
Gillespie, Hart & Todd	96.26
R. G. Christie & Co.	96.25
E. G. Read & Co.	96.20
Burgess & Co.	95.71

KINGSTON BONDS SOLD

Wood, Gundy & Co. were the successful tenderers for an issue of $120,000, City of Kingston, 5%, 30-year bonds, on a bid of 100.59, representing a cost to the city of 4.96%.

The bids were:

Wood Gundy and Co.	100.59
Bank of Nova Scotia	100.34
Ames and Co.	100.33
Royal Securities Corp.	100.317
Harcourt and Co.	100.31
Brouse, Mitchell and Co.	100.27
R. A. Daly and Co.	100.23
Fry, Mills, Spence and Co.	100.211
Matthews and Co.	100.19
McLeod, Young, Weir and Co.	100.172
Bell, Gouinlock and Co.	100.17
Dominion Securities Corp.	100.109
McDonagh, Somers and Co.	100.077
Cochran, Hay and Co.	100.06
Burgess and Co.	100.02
Harris, MacKeen and Co.	99.92
Hanson Bros.	99.912
Bank of Toronto	99.88
Dyment, Anderson and Co.	99.80
Municipal Bankers	99.77
Aird, McLeod and Co.	99.75
Toronto Bond Exchange	99.70
J. A. G. Clark and Co.	99.67
J. L. Goad and Co.	99.58
Murray and Co.	99.54
Gairdner and Co.	99.432

Tenders and By-laws

TENDERS CALLED

Feb. 15, School Municipality of Sacre Coeur de Jesus and East Broughton, P.Q.—$16,000, 5 per cent., serial bonds. J. E. Perron, sec.-treas.

Feb. 16, Welland.—$285,000, 5%, 30-instalment, waterworks debentures. A. W. Jackson, city treas.

March 11, Dalhousie, N.B.—$60,000, 5½ per cent., 25-year school bonds. J. B. Delaney, Sec. Board of School Trustees, District No. 1, Dalhousie, N.B. (See announcement on page 16.)

Feb. 15, Barrie—$113,000, 5 per cent., 15-instalment debentures. A. W. Smith, treas.

Feb 15, Leaside—$43,668, 5½%, 10 and 20-yr. local improvement debentures. A. J. Lawson, treas.

Feb. 16, Les Petites Soeurs Franciscaines de Marie, Hospice Sainte Anne, Baie Saint Paul, P.Q.—$200,000 5 per cent. serial debentures. The Sun Trust Co., Montreal.

Feb. 22, East Wakefield, P.Q.—$2,000, 6 per cent. term bonds. F. A. Labelle, sec.-treas.

Feb. 23, Uxbridge—Balance of 10-year, 5½% pavement debentures. Original issue $29,000. M. H. Crosby, town clerk. (See announcement on page 16.)

Tenders for School Bonds

Sealed Tenders directed to the undersigned and marked "Tender for Dalhousie School Bonds," will be received at the office of the undersigned, Dalhousie, N. B., up to 4 o'clock in the afternoon of Thursday the 11th day of March, A.D., 1926, for an issue of Bonds or Debentures of School District No. 1, in the Parish of Dalhousie, in the County of Restigouche, New Brunswick.

The said Bonds are issued under the order of the Board of Education of the Province of New Brunswick, made under the authority of the Schools Act, 1922. The amount of the issue is $60,000.00, the rate of interest is 5½ per centum per annum, payable semi-annually at Dalhousie, N. B., and negotiable without charge at the Royal Bank of Canada, St. John, N. B. The Bonds are repayable out of a sinking fund established according to law, in twenty-five years from their date at the office of the Secretary of the Board of School Trustees, Dalhousie, N. B., and without charge at the Royal Bank of Canada, St. John, N. B.

Further information may be obtained from the undersigned.

The highest or any tender not necessarily accepted.

Dated at Dalhousie, N. B., this 10th day of February, A.D., 1926.

J. B. DELANEY,
Secretary of Board of School Trustees, School District No. 1, Parish of Dalhousie, Dalhousie, N. B.

LIQUOR SALE REVENUE IS MATERIALLY LOWER

Enforcement of Ontario Temperance Act Not So Remunerative Last Year

The bootleggers and rumrunners are evidently getting the best of the provincial authorities if one judges from the decline in liquor revenue which has taken place in some of the provinces. Ontario's revenue this year is $41,064 smaller than that of last year despite the additional revenue realized on the issue of 4.4 beer permits. The revenue of the provincial treasury from the operation of the Ontario Temperance Act for the fiscal year just ended was $1,423,303 against $1,464,367 last year.

The greatest part of the loss in this year's revenue was in the sale of confiscated liquors. The valuation of seizures for the past year was $39,686 against a total of $106.596 for the previous year. This would seem to indicate that those engaged in illicit sale are in a better position to carry on their business without the detection of the authorities, as there is no evidence of any decline in the consumption of liquor.

There was also an appreciable falling off in the revenue from fines last year. Returns from this source last year amounted to $378,298 against $426,666 for 1924, a decline of $48,368. There is apparently no change in the strictness with which the law is enforced this year, and the only conclusion, on the surface, is that there has been less violation, or better administered violation, of the law.

Gross profits realized from the operation of the government dispensaries have been the same as last year, $900,000. Two other sources of revenue showed increase for the year. They were miscellaneous fees and permits, and the sale of confiscated automobiles. From the former, $29,258 was realized in 1924 which was $4,258 over the year before. Sales of automobiles seized by the authorities contributed $8,000 as against $5,393 in 1924.

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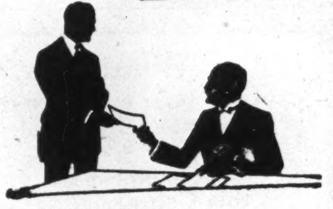

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WEEKLY RECORD OF CANADIAN FINANCING

MUNICIPAL

Place Bond Sales—	Date	—Sold To—	Rate	Maturity	Amount	Price	Yield
Prince Rupert	Feb.	A. E. Ames & Co.	5½%	1936	$89,650	97.51	5.43
Kingston	Feb.	Wood, Gundy & Co.	5%	1956	120,000	100.59	4.96
St. John City and County	Feb.	Royal Securities Corp.	4½%	....	90,000	95.00	...
Edmonton	Feb.	City's Fiscal Agents	....	20-30-yr.	207,471	....	...
Saskatchewan Schools, etc.	Feb.	....	6%	....	1,620	....	...

Insurance for Buyer and Seller

Robinson Brothers Sell $2,000,000 of Insurance

That Was 1925 Production of These Two Leaders in Life Insurance Profession — Are Specialists in Arrangement of Estates

By FLOYD S. CHALMERS

"SALESMEN'S kits" are much in vogue nowadays. The man who is selling something today usually carries a volume in which he binds evidence of the merit of his product or service,—testimonials, plans, prices, etc.

Two of the most successful salesmen in Canada carry a kit that is unique and striking in its contents. It contains nothing but letters; letters from people they have served and who are satisfied with the service they have given. The names signed to the letters are the names of some scores of the leading business, professional and financial men of Toronto and other Canadian cities.

The old bromide to the effect that "our satisfied customers are our best advertisement" applies in full measure to Beverley and Duncan Robinson, of the Canada Life Assurance Company. They have been selling life insurance for only four years, but they have already reached a point of such supremacy in their profession that men with millions are anxious to talk business with them and sample the service they give. In 1925, they wrote over $2,000,000 of life insurance, and of this amount over $1,780,000 was written without the aid of any associated agents. This is an imposing figure for Canada where large policies are rare and where only one man carries over a million dollars of insurance. In the United States there are over 200 and in Pittsburgh alone above 20. In comparing their production with those of the leading producers in the United States, it is interesting to note that those in a position to make comparisons estimate that a $100,000 policy in Canada is about equivalent to one of from $300,000 to $500,000 in the United States.

Presidency Was the Prize.

Their feat won for them the coveted honor of the presidency of the Quarter Million Dollar Club of their company (a title awarded annually to the salesman writing the most business during the year. For 1926 there was no doubt that the presidency would have to be in the nature of a joint honor since the Robinson brothers wrote in 1925 more than twice as much life insurance as any other single agent on the company's roll.

It is, indeed, a singular service that has made the Robinson brothers so successful. Life insurance is in the background only of their service. They have made themselves specialists in the matter of succession duties and in the whole field of wills and estates. They can study the will of any business man, and given a statement of his assets and his wishes, can so re-draft that will and arrange his affairs that large sums may be saved in succession duties; that definite assurance will be given of the carrying out of his wishes in regard to his estate. When this service has been given, the extent of the need for life insurance is revealed, and up to the extent of that need the brothers have no hesitation in using all their persuasive force to write the policies that are needed. But until they have first given thorough analysis to the estate needs of their client, they do not bring insurance into the picture. It is a service they give and an exceedingly valu-

(Continued on page 16)

SUN LIFE'S BUSINESS SHATTERS PAST MARKS

Largest Canadian Company Passes Billion Mark of Insurance in Force

From Our Own Correspondent.

MONTREAL.—One of the best indications of the size to which the Sun Life Assurance Company of Canada has attained is the statement, made by President T. B. Macaulay, at the annual meeting, to the effect that the company's securities advanced in value during the year $21,666,284.

The annual report reveals the fact that for the first time a Canadian company has a total of over one thousand million dollars of insurance in force. The actual amount which the Sun Life had in force at the close of its fiscal year amounted to $1,021,097,102, and compares with $871,636,458 at the close of 1924.

There was a big increase in the total revenues, which amounted in all to $70,192,521 for the year, as compared with $62.678,303 in 1924.

The statement is the strongest ever presented since the inception of the company. The total assets have increased by almost $29,000,000 and stand at $303,056,145.

Nearly sixty thousand policies were paid for, amounting to $193,477,000, after deducting amounts reassured. Business in force increased by almost $150,000,000. Assets during the year increased by practically $30,000,000.

Since the Sun Life began business, $219,239,710 has been paid to policyholders and beneficiaries in death claims, matured endowments, etc. Of this amount, during 1925, living policyholders covered by matured endowments, annuities, dividends, etc., received over $27,000,000 while over $8,000,000 was paid out in death claims, making a total for the year of over $35,000,000.

After making heavy allocations of over $10,000,000 to reserves and contingency funds, the undivided surplus of the company increased by over $6,000,000, bringing the total to $28,640,000. Sun Life policyholders will again enjoy an increase in profits, making the sixth consecutive year dividends have been increased.

Wawanesa Mutual Fire Had $800,000 Receipts

Wawanesa Mutual Fire broke records in 1925. During the year, 18,011 policies for $42,120,310 were written, being a little over five million more than was written in 1924, and the largest amount ever written by the company in any one year. The total amount of insurance at risk is $123,635,706. The reduction in its volume from last year is due partly to the fact that the company was forced to make a heavy assessment the previous year and partly to the fact that it cancelled, in Manitoba, Saskatchewan and Alberta, large areas where, owing to unfavorable crop conditions, the losses had proven to be excessive.

Cash premiums amounting to $112,756 were written and $548,134 collected on assessments, the total receipts for the year being $809,417.

Losses amounting to a trifle over $250,000 were paid, compared with over $550,000 in 1924.

Operating expenses were $167,727, ten thousand dollars less than the previous year.

LICENSES ISSUED

Connecticut General Life Insurance Company has taken a Dominion license, authorizing it to transact life insurance, accident insurance and sickness insurance.

Joseph A. Ewing, Montreal, Que., has been appointed chief agent in Canada.

The following licenses have also been issued:

Pacific Fire Insurance Company, to write tornado insurance.

Yangtsze Insurance Association, to write tornado insurance.

New York Casualty Company, to write burglary insurance, guarantee insurance, accident insurance, personal property, and automobile insurance.

Commissions Up Little

Editor, The Financial Post:

With reference to the article "Fire Insurance Improvement Not Marked in Canada," which appeared in your issue of the 5th instant, permit me to say that so long as the manager for Canada of the "Norwich Union" confines himself to vague generalities in regard to the expense ratio of the fire insurance companies in Canada, he is fairly safe, but it may be of interest to your readers to know that the salaries of the officials of the fire insurance companies in Canada have increased nearly 100 per cent. in the last 22 years, while the commissions paid the agents in the same period have increased less than 20 per cent. I quote from an address by the Superintendent of Insurance, Ottawa, Possibly—

> "When self the wavering balance shakes
> 'Tis rarely right adjusted."

—AGENT.

Toronto.

Security Life Now Has $9,000,000 of Business

Security Life Insurance Company, under its new management, made some advances in 1925. The annual report shows policies issued and revived amounting to $3,229,592, compared with $1,756,599 in 1924. The total amount of insurance on the company's books as of Dec. 31 last had risen to $9,005,208, as against $7,583,214 the year before, representing an increase for the year of nearly 20 per cent. An operating gain was shown for the period.

The gross cosh premiums income for the year amounted to $222,053, and cash interest income $30,818. Total receipts, including $31,354 capital stock increase, were $301,825.

At the annual meeting the old board was re-elected, and L. E. Beaulieu, LL.D., K.C., added to the board.

Insurance Personals

C. E. Flanagan is the new secretary of the North American Life.

* * *

Ernest L. Ackerman has been appointed Hamilton city manager of the London Life.

* * *

F. W. Hewitson has taken over the management of the London Life's industrial agency at Ottawa and Hull.

* * *

Norman Duffett has been appointed branch secretary at Montreal for the Dominion Guarantee and Accident Company.

* * *

J. T. Wilson has resigned as president and general manager of the Maritime Life at Halifax, and has been appointed manager of the Sun Life for Georgia with offices at Atlanta.

* * *

Arden E. Hill has been appointed resident secretary for the province of Quebec for the Toronto Casualty, Fire and Marine Insurance Company with headquarters in the Montreal branch of that company.

Mr. Hill was formerly casualty underwriter at head office. H. R. Fraser is manager of the company's Montreal branch.

* * *

At a recent meeting of the board of directors of the Ontario Equitable Life and Accident Insurance Company of Waterloo, Charles S. Morton, M.D., of Halifax, N.S., and Melville Rousseau of Ste. Anne de la Perade, Quebec, were elected directors of the company.

* * *

At the annual meeting of Mutual Life of Canada, the board of directors was increased from twelve to fifteen members. The following new men were elected to the directorate: Hon. J. Fred Fraser, Halifax: Isaac Pitblado, K.C., Ll.D., Winnipeg; W. J. Blake Wilson, Vancouver.

With the election of these new members, a departure has been made, inasmuch as both the maritimes and western Canada are represented on the board of directors.

Mutual of Canada Wrote $45,500,000 in Past Year

Mutual Life's increase in business in 1925 was a healthy one, $26,799,419. The total new issue last year was $45,573,577, an increase of $2,249,280 over the 1924 volume of new assurances. The total business now in force is $322,529,285.

The substantial increase in 1925 was achieved very economically, the expense ratio being reduced from 15.50 per cent. to 15.23 per cent. The mortality rate was again very favorable, 37.95 per cent. There was a slightly increased average interest rate on the company's invested funds, the 1925 average being 6.42 per cent.

Last year witnessed a further increase of $6,556,800 in the company's accumulated assets, which now total $72,517,566.

In 1925 the Mutual Life paid out to policyholders $7,201,403—an increase of $969,252 over the 1924 total.

Metropolitan Life Business Now Totals $12,000,000,000

Metropolitan Life gained $1,574,762,000 in outstanding life insurance for the year 1925. The total amount paid for during the year was $2,952,142,629.

At the end of 1925, the assets were $1,854,657,482, an increase in the year of $226,483,134. The income for the year was $531,223,443 and in this item was a gain of $74,055,270.

Metropolitan now has $12,097,246,792 of life insurance in force. Number of policies in force at the end of 1925 numbered 35,222,336, more than that of any company in the world. The above figures do not include the 706,001 Group Life Insurance policies.

There were 493,431 policy claims in 1925, or an average of one claim paid for every 18 seconds of each business day of eight hours. These claims amounted to $180,161,780.43, or an average of $1,238.74 a minute of each business day of eight hours. The policies issued during 1925 numbered 2,774,712, an average of 20,999 per day, with a daily average of $9,743,045 in new life insurance issued, revived and increased.

Federal Fire Loss Ratio Was Lower in Year 1925

Federal Fire Insurance Company of Canada reports for 1925, premiums less rebates of $179,667, an increase of $21,876 over the preceding year. Losses paid were $74,575, a decrease of $9,233 from 1924, notwithstanding the fact that the company had nine and one half millions more insurance in force. After deducting reinsurance, the company's net income was $113,612, an increase of $7,450 over the preceding year. Allowing for reinsurance received on losses, the net fire claims paid were $49,258, a decrease of $3,984 from the year before.

The net loss ratio was 34.56 per cent. in 1923; 50.82 per cent. in 1924; and 44.28 per cent. in 1925. The expense ratio was 42.54 per cent. in 1923; 44.25 per cent. in 1924 and 43.09 per cent. in 1925. Fire loss ratio includes adjustment expenses and expense ratio includes commission paid agents. Percentages are based on revenue account.

The company's investments are $135,360.89. As the paid-up capital is $100,000, there has been invested out of operations $35,360.89.

Empire Life Has $3,800,000 in Force; Death Claims Low

Empire Life wrote $2,260,281 of business in 1925, an increase of 65 per cent. over 1924. Business in force increased from $2,074,789 to $3,809,475.

In its three years of operation, the company has paid only $3,000 in death claims.

Western Empire Reaches Million Mark in Assets

WINNIPEG.—The 14th annual report of the Western Empire Life Assurance Co., presented at the annual meeting held at the head office, Winnipeg, last week, showed that the assets of the company now total $1,020,609.98, an increase of $101,184.46. Insurance in force has increased to $7,616,321.

The reserve for protection of policies in force stands at $717,855. After making full provision for all liabilities, but not including capital, there is a surplus to policyholders of $233,174.22. The company's deposits with the four western provincial governments total $220,440.74.

A. G. LOW,

who has just been appointed branch manager at Calgary for Southern Alberta district by the Monarch Life Assurance Co. Mr. Low has been with the Monarch Life for some years, having previously served in the Saskatoon territory.

Great West Life Reaches $417,000,000 Mark in 1925

Great West Life issued $71,516,357 of new business in 1925, an increase of $8,341,152 over 1924. This brought business in force to $417,703,158, an increase of $37,061,438. Income was $19,478,795 in 1925.

Assets now total $73,176,970. At the annual meeting, Alex. Macdonald retired as president and was succeeded by George W. Allan, K.C. Mr. Macdonald remains as honorary president. Vice-presidents are R. T. Riley and George F. Galt.

In his annual report C. C. Ferguson, general manager, states:

"The new business and the surplus earnings of 1925 were much larger than in any previous year in the company's history. Very liberal profits are being paid to policyholders and at the same time all the various surplus funds and reserves have been substantially increased. The securities have been valued conservatively, and no credit has been taken for a large margin of market values over ledger values. Thus the already strong financial position of the company has been further fortified. The investments continue to yield a high rate of interest, the expense rates have been reduced and the mortality experience for 1925 was as favorable as any we have had in the past twenty years."

Sovereign Life Business in Force is $18,800,000

WINNIPEG.—The report presented at the annual meeting of the Sovereign Life Assurance Co., here last week shows total assets at $3,351,730 and insurance in force at $18,819,050.

Premium income in the year ended Dec. 31, amounted to $653,277, while interest earnings reached the total of $184,511.

After providing for all liabilities, and setting aside these specific reserves, there remains a floating surplus of $161,494 and a contingent reserve of $40,000.

Standard Bread Puts Group Insurance on Employees

In future, one hundred employees of the Standard Bread Co., of Ottawa, will receive group life insurance protection for an amount of $100,000. The Standard Bread Company, has just made arrangements with the Metropolitan Life, whereby each employee's life will be protected by insurance, without contributing any money. The company will bear the whole cost. The total amount involved in this plan is $100,000.

Guarantee Company's Profits Move Upward

From Our Own Correspondent.

MONTREAL.—The report of the Guarantee Company of North America for the twelve months ended December 31, 1925, which was presented at the annual meeting showed favorable results. Earnings were higher than for the preceding year, while expenditures were lower, resulting in a higher surplus for the period. The balance sheet indicated an improved cash position, as well as increased holdings of stocks and bonds. Real estate valuation was written down nearly $8,000, reserves were increased $70,000, and surplus showed a gain of nearly $100,000.

Henry E. Rawlings, president and general manager, in his report to shareholders, stated in part as follows: "After making provision for all outstanding liabilities and depreciation of real estate, adding $70,000 to voluntary reserve for reinsurance fund, depreciation of investments and other contingencies, and paying the usual dividends and bonus, the surplus is increased by $98,702 and now amounts to $2,188,249."

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G. E. BAILEY, Secretary — W. H. HUNTER, President — ALEX. STEWART, Treasurer

THE CANADA NATIONAL FIRE INSURANCE COMPANY
HEAD OFFICE: WINNIPEG, CANADA
TOTAL ASSETS $2,928,337.62
TORONTO, 24 Adelaide St. W.
W. H. GEORGE
Superintendent of Agents

Insurance OF ALL KINDS TRANSACTED
The Provident
ESTABLISHED 1905
Head Office:
THE PROVIDENT BUILDING
Corner Place d'Armes & St. James St.
MONTREAL
Tel. HArbour 3292-3-4-5-6-7

THE MONARCH LIFE
IS A
GOOD COMPANY
Provincial Offices: Toronto, Winnipeg, Regina, Saskatoon, Calgary, Edmonton, Vancouver, Victoria.

We Recommend a
6 P. R. POLICY (SIX PREMIUM RETURN)
—an exclusive Northern Life plan.
The Northern Life's 6 P.R. policy is one of the most popular 20 pay life policies in Canada.
For further information regarding this attractive plan consult your nearest Northern Life representative or write our Home Office.
The NORTHERN LIFE
ASSURANCE COMPANY OF CANADA
LONDON, ONTARIO — ESTABLISHED, 1897

THE PERTH MUTUAL FIRE INSURANCE COMPANY

The Sixty-second Annual Meeting of the Members of this Company was held in the Board Room of the Company's building, Stratford, Ontario, on Monday, February 1st, 1926, when the following report was submitted by the Directors:

To the Members of the Perth Mutual Fire Insurance Company:
Gentlemen—

Your Board of Directors, in presenting the Sixty-second Annual Statement of the affairs of the Company, being for the year ended December 31st, 1925, are pleased to be able to report that the decreased fire loss in the Province of Ontario during the year has been well reflected in the business of the Company, and that a healthy growth in the amount of insurance written has been accompanied by a substantial addition to our reserve fund.

The number of policies issued or renewed during the year were:

On the Mutual System	1223 policies	for $ 3,970,246.00
On the Cash System	12213 policies	for $23,344,288.00
A total of	13436 policies	for $27,314,534.00

The number of policies in force and amount at risk on December 31st were:

On the Mutual System	3559 policies	for $11,959,632.00
On the Cash System	23222 policies	for $43,141,044.00
A total of	26781 policies	for $55,100,676.00

An increase of 1,200 policies for $2,840,107.00.

Of the total amount at risk $9,611,257.00 has been reinsured, so that the Company's net liability is $45,489,419.00.

The premiums written during the year totalled $329,484.68, and we received for interest, rent and extra premium, the sum of $47,375.93; and for reinsurance on losses the sum of $31,332.40; a total of $408,193.01.

We paid for losses $127,475.72; for rebates and reinsurance premiums $63,755.97; for Agents' commission $58,187.64; for taxes, $5,293.89; for working expenses, $44,864.82; and for premium on debentures purchased $925.00; a total of $30,503.04.

The difference between receipts and expenditures, as thus summarized, is an apparent credit balance of $107,689.97, but as we paid during the year net losses of 1924 amounting to $2,653.00, and carry over losses under adjustment estimated at $4,568.75 net, the actual credit balance for the year is $105,744.22, or, if $30,257.33 be allowed for increase in unearned premium liability due to growth of the business, of $75,516.89, a result which we think must be considered highly satisfactory.

Our Cash Assets consist of Dominion of Canada and Canadian National Railway debentures (fully guaranteed) $305,000.00; Province of Ontario debentures $264,000.00; Municipal debentures $280,623.38; Loan Company debentures $30,000.00; Mortgages $35,700.00; Cash in Banks and Head Office $45,962.68; Agents' balances $19,922.55; and the Company's office premises $15,673.61; a total of $996,882.22.

Contingent assets consist of accrued interest $18,953.99, and reinsurance expected on losses under adjustment $833.16, a total of $19,787.15, besides which we hold premium notes, less all payments made thereon, amounting to $220,862.51, making our total assets $1,237,531.88.

Our only liabilities are losses under adjustment $6,768.91, and unearned premiums amounting to $164,295.56, a total of $171,064.47, so that our cash assets, including accrued interest and reinsurance expected, exceed our liabilities by $845,604.90, and our gross assets by $1,066,467.41.

Detailed statements of Movements in Risks, Profit and Loss Account, Assets and Liabilities, Debenture and Mortgage Accounts, Accrued Interest, and the Reports of our Inspector and Auditors, are herewith submitted, and will, we trust, be found satisfactory.

On October 31st last the Company sustained a great loss in the death of the late Manager, Mr. Charles Packert, who had for forty-eight years most ably conducted its business as Chief Executive. Appointed Secretary of the Company in 1877, it had at the close of that year 2,390 policies in force for $2,339,610.00; premium notes amounting to $17,225.84; and Cash Assets of $15,124.28; while at the 31st of December last, it had 26781 policies in force for $55,100,676.00; premium notes for $220,862.51; and Cash Assets of $996,882.22, and besides had paid losses amounting to $2,842,976.75, a contrast which certainly bears eloquent testimony to his great ability, energy, and devotion to the Company's interest. Actuated by a high sense of honor and integrity, and possessing a kindly disposition, his Co-Directors sincerely mourn his removal, and desire to bear testimony to his admirable character, and long and devoted service to the Company.

His position as Manager has been filled by the appointment of Mr. George Kay, who was for twenty-five years the Company's Secretary, and you are invited to elect him to-day to the vacancy on the Board created by the death of his predecessor in office.

The Directors who retire this year by rotation, are Messrs. George Hamilton and H. W. Strudley, both of whom are eligible for re-election.

All of which is respectfully submitted.

(S'd.) G. G. McPHERSON, President.
(S'd.) GEORGE KAY, Manager.

Stratford, February 1st, 1926.

The Report was adopted, and Messrs. George Hamilton, H. W. Strudley and George Kay were elected Directors, and Messrs. Peter Bradshaw and A. H. Alexander were appointed Auditors.

The Directors and Officers of the Company are, G. G. McPherson, K.C., Stratford, President, James Jones, Mitchell, Vice-President, Mr. Andrew Kuhry, Walkerton, and Messrs. George Hamilton, A. M. Kay, William Irwin, Alex. Faill, H. W. Strudley and George Kay of Stratford. Manager, George Kay, Acting Secretary, A. E. Dodds, Inspector, J. A. C. Kay.

Current Events in Banking World

MANAGERS KNOW MORE OF FARMING THAN OF GOLFING

Editor Takes Up Charge That Game Gets Too Much Attention

It is evidently not necessary for bank managers to entirely supply their own defense on the charge that they spend too much time hanging on to the end of a golf club. Here is another letter indicating that banking in the communities serving rural districts is no joyous pastime. It is from *the editor* of the Sentinel published *at Pilot* Mound, and it speaks—and speaks very effectively—for itself. It is evident from this letter that the day when the bank manager can afford to sit in his office and accept deposits has passed. The successful bank manager must not only be closely in touch with individual customers, but he must have a thorough knowledge of the possibilities of his territory for suitable agricultural or other developments.—J. W. T.

"J. W. T.," The Financial Post:

Sir.—The query "Do Bank Managers Spend Too Much Time Hanging on to the End of a Golf Club?" prompts me to write as one who believes it to be one of our national faults to refuse or neglect to rate at its proper valuation unselfish community effort. Are we not ever too ready to bear down heavily on the note of criticism, while being altogether too sparing with a word or two of praise where due?

My experience of bank managers—gained through a more or less intimate acquaintance with a number of them located in small prairie towns—is that Mr. Manager is more often than otherwise amongst the leading citizens, ever ready with valuable advice and practical assistance in any community enterprise —*whether or* not it be in any way con*nected with* the interests of the institu*tion he* represents. He rates high in *unselfish* service.

Perhaps, Sir, you answer your query on page 11 of the same issue in which it is voiced—when in commenting on the criticisms of finance made by Archbishop McNeil, of Toronto, you cite what was accomplished by the branches of the Bank of Toronto in the West under the direction of the western superintendent, F. H. Marsh, as a result of a "Better Feeding Campaign" launched and maintained by him. However, I should like to show that, as far as one prairie bank manager is concerned at any rate, this query is itself an injustice—and in citing a few of the community activities pursued by this bank manager, give some little idea of the scope of the valuable influence such activities have on the life of the town and district generally.

Fortunately, one of the branches of the Bank of Toronto is located here, under the management of Mr. J. T. C. Robertson, and the results of the campaign above-mentioned are to-day very *evident.* Farmers in this district are at present feeding around 300 head of cattle, most of which should be ready for the export market in the spring. Other cattle are, of course, being shipped weekly, but this refers to "exporters" only. To say that farmers of this district are preparing these cattle is only telling part of the story, for it gives no idea of the huge amount of "spade work" done by the bank manager referred to, to get this result.

In March, 1924, a "district builders' convention" was held here, when farmers from all parts of the district congregated, and those who had been successful in raising pigs, cattle, sheep, clovers and grasses, corn for ensilage, bee-keeping, dairying, etc., came and gave their experiences for the benefit of their less fortunate neighbors. The convention was a huge success, and it has borne good fruit. All the groundwork, the tremendous amount of detail, correspondence, program lining-up, etc., in connection with this noteworthy convention was undertaken and splendidly carried through by this bank manager, in the capacity of secretary.

As a direct result of this convention, more cattle are being fed in the district, on an increasing scale every winter; more cows are being kept the year round, and consequently more cream is shipped, ensuring a steady income to cover at least running expenses, so that proceeds of the grain crop, in most cases, goes to reduce land indebtedness or amounts owing on stock; for improvements; even to build up savings accounts, or for investment. (The Victory Loan habit, I am credibly informed, has left its impression and the majority of the reliable far-seeing farmers to-day have a nest-egg in the shape of government bonds or those of equal security, tax free.)

This work, being of such direct community benefit, has, of course, had the whole-hearted support of the local paper, "The Pilot Mound Sentinel," (of which the writer is editor). A column has been placed at the disposal of the Bank Manager weekly, and he has prepared seasonable articles of real value to the farming community, dealing with better farming methods, giving facts and much data of value, which are published under the heading of "District Builders."

Further, might I say that this particular bank manager, in addition to acting in such a helpful capacity in promoting better conditions among the farmers, finds time to play a big part in the various activities of the townspeople. He capably filled the role of Board of Trade president for a term, during which that body displayed more life than it ever has done, before or since; he is secretary-treasurer of the Skating and Curling Rink Association, which conducts a large community winter recreation centre; he is president of a boys' and girls' club organization; secretary-treasurer of the town hockey club, and is mixed up practically and helpfully with much of the life and activity of this prairie town.

Much more might be said of the community activities of this bank manager; he is engaged in a score of others—all equally noteworthy examples of unselfish citizenship. But I have cited enough examples to show that he has not much time left for hanging to the end of golf sticks. This is an absolutely impersonal tribute; personally I do not know this bank manager very well. I never borrowed a dollar from him, and hope (now) that the need never will arise. I will not state, on oath, that he gets no pleasure from his golf clubs, but, if he does, he is welcome to it! Our course, as such, is one of Nature's beauty spots—it has, incidentally, a number of rough spots—and the bank manager so far has evinced more energetic interest in helping along community enterprise in any and every shape and form to such an extent that he has not had a great deal of time to devote to organizing a working squad to fix up the rough spots on the golf course.

Very truly yours.
RONALD W. TUCKWELL,
(Editor, Pilot Mound Sentinel).

Clearing House Acts to Stop the N.S.F. Cheque Nuisance

An important ruling which promises to be effective in checking the growing N. S. F. cheque nuisance, has been passed by the Toronto Clearing House Association. It is that: "Any cheque once cleared and returned for the reason not sufficient funds must first be certified before it can be again cleared to the bank upon which it is drawn." This means that instead of the maker of the cheque excusing himself on the ground of thoughtlessness or forgetfulness, and suggesting that the cheque be put through again, the holder of the doubtful document will be able to say that he cannot do this because of the clearing house ruling and that the debtor must have the cheque certified at his bank before it can be put through again.

This step, which has been taken at the instance of the business community rather than of the banks, should have the effect of putting a curb on the activities of those to whom the N. S. F. cheque has become a habit. Not only will it be a benefit to merchants and other business institutions handling cheques in large numbers, but it should have the effect also of mitigating a nuisance so far as the banks and bank staffs are concerned. Branch banks have already been notified of this action of the Toronto Clearing House and if the ruling is generally applied throughout Canada it should go a long way in meeting a situation becoming more and more troublesome to both the commercial and banking community.

Utility companies and the big stores in Toronto see in the new Clearing House regulation a real benefit to their credit and collecting departments. Even where the monthly bills are for small sums there are a surprisingly large number of N. S. F. cheques circulated which have had the effect of not only delaying collections, but of increasing the clerical work.

A further suggestion being considered, I understand, to deal with the issuing of cheques for which there are not sufficient funds, is to make it a misdemeanor punishable by a fine or imprisonment or both to issue a cheque for which there is not sufficient funds. In this country at present it is a criminal action but it is extremely difficult to prove that the maker knew that the cheque would not be paid on presentation. In New York State the offense is a misdemeanor rather than a crime and the fact that the cheque has been refused is taken as prima facie evidence of the offence, placing the burden of proof upon the one who issued the cheque rather than on the victim. If such a law were passed it would go far to change the present attitude of irresponsibility on the part of those who have formed the N. S. F. cheque habit.—J. W. T.

IMPERIAL BANK

The following staff changes have been announced by the Imperial Bank: F. L. Graban, formerly manager, Portage la Prairie, has been appointed manager, Golden, B. C. W. A. Patterson, formerly manager, Golden, B. C., has been appointed manager, Edmonton South branch. C. W. Reade, formerly manager, Edmonton South, has been appointed manager, Portage la Prairie. A. Freisen, who has been engaged in special duties at Krydor, Sask., for three or four months, has returned to his post of accountant, Saskatoon branch. W. H. Greacen, chief accountant, head office, has been granted six weeks' leave of absence on account of ill-health and together with Mrs. Greacen is paying a visit to Bermuda. G. L. Gordon, accountant, Port Colborne, is at present acting manager at Fonthill. John Hadden, manager legal department, head office, is enjoying six weeks' leave of absence in visiting his home in Edinburgh. E. E. Harper, of Winnipeg branch, is acting accountant at Moose Jaw for a temporary period.

BIG ORDER FOR FARM BUILDINGS

EDMONTON.—The C. P. R. colonization department at Edmonton has just placed an order with the Stavelock Silo Co., of Edmonton, for 100 farm cottages and 100 barns at a total cost of $70,000. The buildings are to be used in connection with the C. P. R. colonization plans.

Staff Gossip

D. M. Rae, accountant of the Bank of Nova Scotia, has been transferred to the Calgary branch of the bank.—Herald, Prince Albert.

• • •

A. D. Johnson, of the Canadian Bank of Commerce staff, has been transferred to the Paris branch.—Sentinel-Review, Woodstock.

• • •

Sam Mills, formerly of the Bank of Montreal staff, who was recently moved to Kitchener, has been transferred to Georgetown.—Telescope, Walkerton.

• • •

Ross Keller, who has been employed in the Bank of Montreal, has been transferred to one of the branches of the bank in Peterborough.—Argus, Midland.

• • •

G. S. Wilson of Athens, Ont., has joined the staff of the local branch of the Standard Bank, replacing Gerald Gibson, as ledger keeper. — Freeholder, Cornwall.

• • •

M. A. Richardson, of Toronto, formerly of this city, arrived recently to take over his duties as manager of the west end branch of the Imperial Bank.—Times-Journal, St. Thomas.

• • •

Gordon Fox, of the Canadian Bank of Commerce staff, has been transferred to New Westminster, B. K. Gardner of New Westminster, being transferred to Chilliwack.—Progress, Chilliwack.

• • •

E. B. Nelles, manager of the Dundalk branch of the Standard Bank, received notification from his head office that he had been transferred to the Forest branch.—Banner, Orangeville.

• • •

Walter Barker, formerly of Guelph, manager of the Royal Bank of Canada, Scotsguard, Sask., has recently received an appointment in the supervisor's department at Regina, Sask.—Mercury, Guelph.

• • •

The announcement has been made by Mayne D. Hamilton, superintendent of Pacific Coast branches of the Canadian Bank of Commerce, to the effect that this bank has opened a branch at Kimberly, B. C.—Sun, Vancouver.

• • •

Clare St. Dizier has been moved from the Richmond branch of the Canadian Bank of Commerce to the Megantic branch. Chas. Smith of Richmond has joined the staff as junior at the Richmond branch.—Times-Guardian, Richmond.

• • •

W. E. Blythe, of the Bank of Montreal staff, who has been relieving at the Trail branch for the past few weeks, has resumed his duties as receiving teller at the Rossland branch of the Bank of Montreal.—Miner, Rossland.

• • •

Neal Frances has been selected to be transferred to the Regina branch of the Bank of Nova Scotia, instead of Albert Ford, who will continue at the local branch owing to the severe illness of his father.—Record, Kitchener.

• • •

Harvey Sowerby, for some time teller in the local branch of the Bank of Montreal, has been promoted to the branch at Waterloo. W. H. Bell, of Desboro, lately in the Brantford office, is Mr. Sowerby's successor here. —Standard, Markdale.

MONTREAL CITY & DISTRICT BANK HAS A GOOD YEAR

An Increase Seen in Both Earnings and Total Deposits

From Our Own Correspondent.

MONTREAL.—The annual report of the Montreal City and District Savings Bank shows an increase of $1,438,596 in deposits and an increase also in the profits. After the payment of the usual dividends there remained a balance of $76,745 as compared with $72,247 in the preceding year. With this addition to its profit and loss account, the bank was able to transfer the sum of $200,000 to its reserve fund which brings the total under this head in the balance sheet up to $1,800,000. The total funds on deposit on December 31, 1925, the close of the fiscal year, amounted to $53,695,127.

Changes in the balance sheet include an increase in the amount of government and municipal bonds held. Other changes were of a minor character only. In his presidential address at the annual meeting, Hon. R. Dandurand emphasized the strong position of the bank and the simplicity of its operations. The bank receives the savings of the public, he stated, now amounting to something over $54,000,000. The law under which the bank operates requires that these savings be placed in securities of the highest class. The balance sheet shows over $56,000,000 of liquid assets, consisting of cash. government and municipal bonds and secured loans, as security for the $54,000,000 of deposits, without including the bank's premises which are valued by the city at over $2,000,000.

During the eighty years of the bank's operation, he added, the constant endeavor of the directors has been to give the depositors the assurance of absolute security. The bank pays 3 per cent. on all deposits and has no othe revenue than that which it receives from the investment of these funds in the safest of securities, "The greater the security the lower is the yield," he stated, "is a truism which it is hardly necessary to mention.

Profit and loss account compares as follows:

	1925	1924	1923
Profits	$276,554	$272,056	$268,101
Divids.	199,809	199,809	199,809
Balance	$ 76,745	$ 72,247	$ 68,292
Donations	$ 7,700	$ 8,000	$ 7,550
Surplus	69,045	64,247	60,792
Prev. bal.	280,568	216,321	405,529
Total	349,613	280,568	466,321
Trans. to res. fund	200,000	......	250,000
P. & L. bal.	$149,613	$280,568	$216,321

Weekly Bank Clearings

(In comparison with the same week last year.)

EASTERN CITIES

	Feb. 5, 1925	Feb. 4, 1926
Halifax	$ 2,657,779	$ 2,791,288
St. John	2,400,849	2,486,034
Moncton	725,417	719,620
Sherbrooke	805,003	860,241
Quebec	6,009,817	5,909,195
Montreal	108,965,251	105,546,685
Ottawa	6,144,873	6,567,156
Kingston	690,289	585,081
Peterboro	737,681	529,505
Toronto	96,805,605	110,417,173
Hamilton	4,542,997	5,044,489
Brantford	668,685	937,144
London	2,642,400	2,576,512
Kitchener	832,210	907,795
Windsor	2,764,819	3,225,879
	$237,383,675	$249,103,797

WESTERN CITIES

	Feb. 5, 1925	Feb. 4, 1926
Fort William	$ 784,585	$ 741,143
Winnipeg	49,818,862	45,638,288
Brandon	579,858	484,714
Regina	3,155,457	3,188,431
Moose Jaw	1,235,380	1,065,332
Saskatoon	1,414,562	1,790,253
Prince Albert	370,427	344,315
Lethbridge	505,061	545,649
Calgary	7,149,921	7,418,337
Edmonton	4,923,711	5,114,052
Medicine Hat	310,424	272,436
New Westminster	618,319	744,681
Vancouver	14,411,659	18,296,457
Victoria	1,822,514	1,872,626
	$87,100,750	$87,516,714

M. MELACHRINO & Co.
CAIRO (EGYPT)
ORIGINAL
Melachrino
MO.45
CIGARETTES
"The One Cigarette Sold the World Over"

ACCUMULATIVE BONDS

The interest on amounts invested in these Bonds is COMPOUNDED half-yearly. As compared with interest at the same rate paid half-yearly, and probably spent as received, this compounding of interest means a considerably greater return to the investor. The Bonds are issued as required in sums of $100.00 and upwards. Interest commences the date the money is received. $390.60 invested in these Bonds to-day will amount to $500.00 at the end of five years.

Any further information desired will be cheerfully furnished on request.

Established 1855

CANADA PERMANENT MORTGAGE
CORPORATION
14-18 TORONTO STREET - TORONTO, 2
Assets exceed $47,000,000.00

5% Interest Return

INVEST YOUR SAVINGS
in a 5% DEBENTURE of
The Great West Permanent
Loan Company
SECURITY

Paid-up Capital $2,414.663.00
Reserves 1,100,000.00
Assets 6,184,420.00

HEAD OFFICE, WINNIPEG
Branches: Toronto, Regina, Calgary, Edmonton, Vancouver, Victoria, Edinburgh, Scotland.

1870 **THE MUTUAL LIFE** 1926

Assurance Company of Canada
WATERLOO - ONTARIO
Financial Statement for Year Ended December 31st, 1925

56 YEARS OF UNBROKEN PROGRESS

THE 56th year in the history of The Mutual Life Assurance Company of Canada was marked by solid and substantial progress. It is gratifying to note from the reports made to the policyholders at the annual meeting on February 4th that the 1925 operations of Canada's pioneer Mutual Life Company compare very favorably with the record results achieved in 1924. The 56th milestone in Mutuality marks 56 years of unbroken prosperity.

The surplus earned by this Company during 1925 totalled $3,796,982.41—an increase of $296,724.41 over the surplus earned in 1924, in which year all previous highwater marks were far surpassed. These remarkably favorable earnings will enable the Company to continue to pay dividends to Policyholders on the same liberal scale in 1926 as heretofore, and, in addition, the free surplus available for contingencies has been increased by $607,981.91. The amount paid to Policyholders in 1925 was $7,201,403, an increase of $969,252 over the 1924 total.

By the end of 1925, the total business in force had reached $322,529,285, a net increase of $26,799,419 for 1925, during which year the total new issue was $45,573,577. The percentage of income required to cover general expenses was reduced from 15.50% to 15.23%.

The average rate of interest on the Company's invested funds was 6.42%—a slight increase over the 1924 average.

The mortality ratio was 37.95%—a very favorable rate which closely approximated the extraordinarily low mortality experience of 1924, namely 36.01% of the expected death claims.

During 1925 the Company's accumulated assets increased by $6,556,800, and now total $72,517,566.

By every test the principle of Mutuality justifies the confidence of the insuring public in the coming years.

HUME CRONYN,
President.

W. H. SOMERVILLE,
General Manager.

CASH ACCOUNT

INCOME

Premium Income (Net)	$11,598,043.99
Interest and Rents	4,081,976.10
Amounts left on deposit	664,900.87
Profit on sale of securities	45,237.52
Miscellaneous Income	84,727.50
	$16,474,885.98

DISBURSEMENTS

Death and Disability Claims	$ 1,661,728.08
Matured Endowments	1,001,980.51
Surrendered Policies	1,482,669.63
Surplus Paid Policyholders	3,041,929.86
Annuities	13,095.09
Supplementary Contracts	53,120.41
Amounts on deposit withdrawn	284,764.21
Premium Reductions, Quinquennial	81,495.31
Loss on sale of securities	10,324.48
Expenses, Taxes, etc.	2,508,382.31
Total Disbursements	$10,139,489.89
Excess, Income over Disbursements	6,335,396.09
	$16,474,885.98

BALANCE SHEET

ASSETS

First Mortgages on Real Estate	$24,619,520.51
Government and Municipal Bonds	27,624,920.80
Other Bonds and Stocks	2,836,754.82
Policy Loans	11,151,191.80
Real Estate, including Head Office Premises	1,843,651.10
Premium Obligations	10 378.00
Cash in Banks and at Head Office	969,623.56
Due and Deferred Premiums, Net	1,391,018.73
Due and Accrued Interest	2,070,506.24
	$72,517,565.56

LIABILITIES

Policy Reserves		$58,713,297.23
Reserve for Unreported Claims		50,000.00
Death Claims Awaiting Proof		234,105.64
Matured Endowments Awaiting Payment		18,447.00
Dividends and Sums Assured left on Deposits		2,868,387.47
Dividends to Policyholders due and unpaid		122,563.24
Premium Reductions on outstanding premiums		6,180.83
Unpaid Expenses		31,600.28
Provincial Taxes Accrued, payable in 1926		133,823.53
Premiums and Interest paid in advance		108,168.40
Credit Ledger Balances		215,585.18
Special Reserves and Surplus Funds—		
Dividends allotted Deferred Dividend Policies Issued prior to 1911	$2,662,749.81	
Since 1911	1,162,286.70	
Provision for Interim Dividends under Quinquennial Policies	414,054.09	
Provision for Dividends payable in 1926	2,800,000.00	
Special Investment Reserves	850,000.00	
Free Surplus available for contingencies	2,126,316.16	
		10,015,406.76
		$72,517,565.56

Audited and found correct by

J. M. LAING, F.A.S.,
Actuary

G. M. MULHOLLAND, F.C.A., and A. B. SHEPARD, C.A.,
of the firm of
THORNE, MULHOLLAND, HOWSON & McPHERSON,
Toronto, Canada, January 25th, 1926.

The Foreign Exchanges

Conducted by S. J. ZACKS.

Foreign exchange activities continued over a relatively narrow range during the week, with special attention paid to French and Canadian currencies. On Tuesday, as on Monday, both were weak and at new low points; the Paris rate was off 3 points at New York, francs selling at 3.67 while the premium on United States funds was up to 9/16 cents. On Wednesday, both the franc and Canadian dollar appeared considerably stronger. Premium on United States funds on Wednesday fluctuated between 9/32 and 5/16.

The surprising firmness of United States funds has brought about considerable interest. As indicated in this column last week, signs of continued strength in United States funds are in evidence. Heavy institutional buying accounts in part for this firmness. Many of our Canadian banks are building up substantial balances in New York, using their funds there on the call money market, thus taking care of their idle funds.

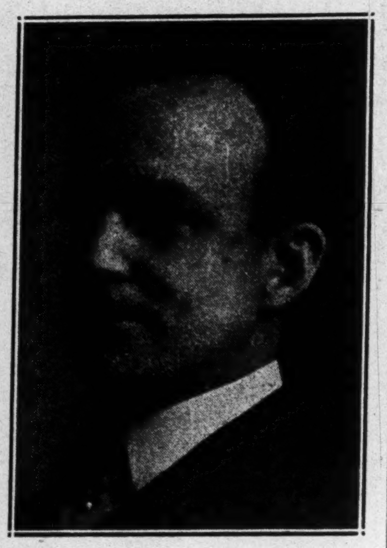
The situation in France has taken a new turn, and the recent bearishness of the franc on the part of New York bankers has been in many respects justified. Briand has issued an ultimatum intimating that there will be a shake-up unless something constructive is done within the next four or five days. For fifteen days the deputies have juggled with finance bills and not a single item toward meeting the four billion dollar budgetary deficit has been passed. A government crisis is not unlikely; the left would like to see Doumier out, while the right would like to exercise power. At present both left and right know that a government crisis is undesirable.

Negotiations for European financing in American are very brisk. Many loans for the account of states, municipalities and industries in Central Europe are being arranged. Several bond offerings originating in London, with anticipated absorption largely European, are reported, including a $10,000,000 loan to the Hungarian Commercial Bank of Budapest.

The state of Prussia and several German cities are also on the market for loans.

NEW YORK FUNDS

	High	Low	Last Year High	Last Year Low
Feb. 4	1-4	13-64	3-32	1-16
Feb 5	17-64	15-64	3-32	1-16
Feb. 6	9-32	17-64	3-16	5-32
Feb. 8	3-8	9-32	3-16	5-32
Feb. 9	29-64	13-32	3-16	5-32
Feb. 10	13-32	9-32	5-32	1-8



LT.-COL. WILLIAM LEGGAT, M.C., Of Leggat, Cassils and Company, Montreal, who was elected a Director of National Trust Company at the Annual Meeting of Shareholders.

STERLING, FRANCS AND LIRE

	Sterling Close	Francs Close	Lire Close
Feb. 4	4.86⅛	3.74¾	4.02¾
Feb. 5	4.86 1/16	3.75	4.02¾
Feb. 6	4.86 1/16	3.73¾	4.03
Feb. 8	4.86 1/16	3.70	4.02⅞
Feb. 9	4.86 1/16	3.67¾	4.03½
Feb. 10	4.86 1/16	3.69¾	4.03½

OTHER EXCHANGES

Par		Close Feb. 14	Close Feb. 10
19.30	Italian...	4.02¾	4.05
23.82	German	23.85¾	23.88
32.45	Brazilian	14.80	14.85
19.30	Belgium	4.55½	4.55½
49.85	Japan	44.96	45.14

National Cash Register Co. Finds Improvement Abroad

Holders of securities of the National Cash Register Company under the recent $75,000,000 issue which was the largest common stock issue ever made by an industrial corporation, are following with interest the gradual improvement in business conditions abroad. Prior to the war, more than 50 per cent. of the National Cash Register Company's business came from outside the United States. The setback which occurred during the four war years, owing to conditions abroad, has never been retrieved.

At a recent convention of the Hundred Point Club, which comprises the star salesmen of the organization, the foreign delegates stated definitely and confidently that the outlook for business abroad had greatly improved, and that the current year, and subsequent years would show big increases in their fields. The company did a business of $45,000,000 in 1925. Their objective in 1930 is $100,000,000.

Robinson Brothers Sell $2,000,000 of Insurance

(Continued from page 14)

able one. When they start to talk to a client they make him two promises. They tell him that if examination of his affairs reveals no need for insurance he will not hear it mentioned; but that if there is need for insurance the brothers will do their utmost to sell him that insurance. Many of these clients to whose affairs they have given as much time and thought as to those to whom they have sold large policies, but to whom they did not feel justified in recommending additional insurance, would never have known that they were life insurance agents if their interviews had not taken place in the Canada Life Building. Life insurance was never discussed.

They do not profess to be philanthropists. They are life insurance agents, but they have found that the way to profit is the road of service.

Kind of Letters They Get

Recently, they went into the affairs of a client and when they were through they sold him an insurance policy for $200,000. After he had received the policy, this man wrote them two fine letters. Here is an extract from one of them:

"It has given me a great deal of pleasure to give you applications for $200,000 of life insurance, which has now been issued. Your service to me in all matters connected with life insurance, and your intimate knowledge of all its phases and their practical application to my problems, have been on the same high plane as your work on my will and personal affairs. In selling me this $200,000 insurance and protection, you have done me a service quite as valuable in its way as that on my will, and I feel genuinely indebted to you for it."

They had one application recently for a $500,000 policy, said to be the largest application ever written in Toronto; had the prospect's $20,000 cheque in their hands to cover the first premium and then suffered the cruel fate of having the doctor say "thumbs down."

They have served scores of Canada's biggest men, giving equal satisfaction. One of the wealthiest men in Canada wrote them:

"You have given me an immense amount of information and advice of great practical value. Your information and suggestions regarding succession duties alone were, I must admit, an eye-opener to me. Your clients will receive the maximum benefit from you if they will only give you their implicit confidence and will lay all their cards on the table.

"Personally, I regard the time spent with you as an excellent investment."

Truly, their fine efforts have brought them to an enviable position in the insurance world. They now work entirely by appointment, and these appointments are always in their own office. They never see more than two men a day. Usually they are booked up with appointments for two to three weeks in advance.

Finding prospects is not difficult. The average life insurance agent is apt at times to bemoan the difficulty of finding good prospects. These brothers now find they have to choose from the many prospects available, those who they feel have the keenest need for their service, and at the same time offer what they call "a sporting chance" for insurance. They have devloped an endless chain system of selling. One satisfied client leads them to others. They have usually fifty or sixty good prospects ahead of their current activities and they make no "blind" calls.

They do not write only large policies, but their average policy is remarkably high. For 1925 it was over $29,000. This included thirty policies with an average of only $10,000 and ranging from $3,000 to $16,000. But they wrote thirty-nine policies with an average of $44,000. That tells the story.

Hard Work in Early Years

It has not always been thus. They started in the insurance business just four years ago—in February, 1922. They had previously been in the publishing business for many years. For the first year that they were selling life insurance they followed the usual hard routine; going from office to office finding prospects and trying to interest them in insurance. Then they took up the study of insurance used for business purposes. This gave them a good lead on their fellow agents. They became so expert in this work that they gave numerous talks to life insurance underwriters. And in 1923 the two agents were selected to deliver the addresses on business insurance before the annual meeting of the Life Underwriters' Association of Canada in session at Montreal.

In June, 1923, the brothers dropped business insurance as a specialty, although they still write considerable quantities of it, and began the intensive study of wills, succession duties and estates and the relation of insurance to them—the work that now occupies their attention and which is bringing them such remarkable results.

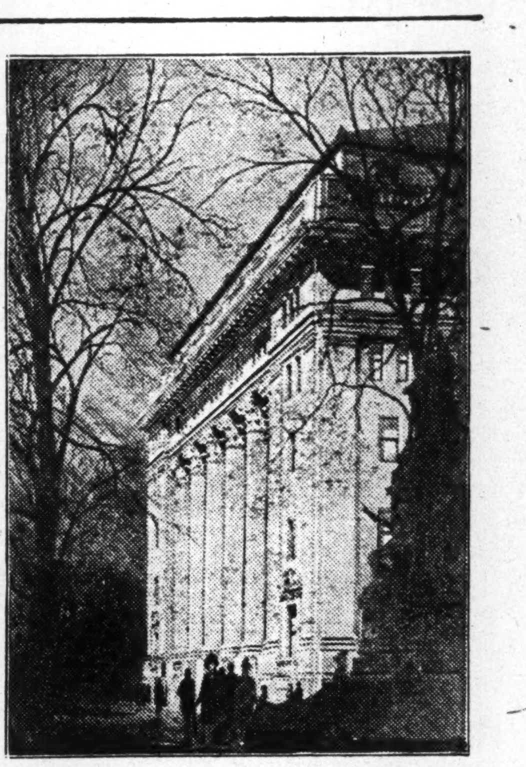
The Robinson brothers are members of the distinguished Beverley Robinson family. A grandfather, Sir John Beverley Robinson, was Chief Justice of Upper Canada. An uncle of the same name was Lieutenant-Governor of the province and mayor of Toronto. Both speak very well, although they dodge the platform when they can. When the annual meeting of the Canada Life was held this year, H. C. Cox, the president, called on them to reply to the vote of thanks to the field force. In selling insurance, they are to all intents and purposes one person, but when it comes to speaking, two cannot speak as one and they flipped a coin to see which one would talk. Duncan won the toss. Beverley spoke.

SUN · LIFE · ASSURANCE · COMPANY · OF · CANADA

A BILLION DOLLARS OF LIFE ASSURANCE IN FORCE

1925

ASSURANCES IN FORCE (net) -	$1,021,097,000
An Increase of $149,460,000	
New Assurances Paid For - - -	$193,477,000
An Increase of $56,011,000	
Total Income - - - - - -	69,147,000
An Increase of $6,901,000	
Payments to Policyholders and Beneficiaries	35,441,000
Total Payments Since Organization -	219,239,000
Reserve for Unforeseen Contingencies	10,000,000
Surplus over all Liabilities and Contingency Reserve -	28,640,000
An Increase of $6,532,000	
ASSETS at December 31, 1925 -	303,056,000
An Increase of $28,925,000	
Policies in Force, Excluding Group Policies -	411,492
Employees of Firms Protected by Group Policies	42,755



Dividends to Policyholders increased for sixth successive year

EXTRACTS FROM DIRECTORS' REPORT

Your Directors present the fifty-fifth annual report for your approval. The Company's statements have for years reflected its constantly increasing expansion and prosperity, but this year marks an epoch in the life of the organization. It has now passed the Billion Dollars mark in assurances in force, the amount after deducting reassurances being $1,021,097,101.94.

Applications for new assurances have been the largest in our history, aggregating $230,534,526.67. The new policies paid for numbered 57,944, for the amount of $193,477,067.26, after deducting amounts re-assured. The new business for the year exceeds the total amount of assurances the Company had in force only thirteen years ago.

The gratifying evidences of growth and expansion [exhibited in the accompanying statement] are paralleled in regard to strength and profitableness. Notwithstanding the general decline in interest rates, the Company has been able not merely to continue, but to slightly increase its record in this connection, the rate earned during the year on the mean invested assets having been 6.41 per cent.

Several factors have contributed to produce this result, not the least important being an increase in the dividends paid by some of the corporations in which the Company has substantial stock holdings.

Even more important than interest yield has been the advance in the market value of our securities. For many years we have specialised in long term bonds and preferred and common stocks of outstanding corporations, both in Canada and in the United States. We are now reaping the rewards of this policy. On actual sales of municipal debentures and other securities which had risen to high premiums, we have realised a net profit of $2,215,772.41, while the increase in the value of securities still held has been much greater.

The profits earned by the Company during the year, based on the increase in the valuation of our securities as made by the government authorities, has been $21,666,284.00. We have not thought it wise, however, to take credit for this entire amount, and have made a deduction of $3,000,000 from the official valuation placed on our assets. We have, moreover, added $2,500,000 to our Contingency Accounts, bringing these up to a total of $10,000,000.

Following the practice of recent years, we have written off $750,000 from the book value of our Head Office and Branch Buildings, and other real estate.

We have also, by setting aside an additional $350,000, further strengthened the special reserve to provide for possible greater longevity among annuitants, bringing the total amount under this heading up to $1,100,000 in excess of government requirements.

During the year we have paid or allotted $7,662,784.35 as profits to our policyholders. After deducting this sum, and the amount apportioned to shareholders' account, and making the foregoing heavy allocations, we have yet been able to add $6,532,642.75 to our undivided profits bringing the total surplus over all liabilities, Contingency Accounts and Capital up to $28,640,000.69.

For the sixth consecutive year we are able to announce an increase in the scale of profits to be distributed to our policyholders in the ensuing year.

To provide for the expansion of our business, it has been necessary to make an extension of the Head Office building, which has now been completed, and will be formally opened on the day of our Annual Meeting. The building is devoted exclusively to the use of the Company, but it is already evident that we must at once provide for further enlargement.

SUN LIFE ASSURANCE COMPANY OF CANADA

Canadian Companies Benefit Through Strike

From Our Own Correspondent.

MONTREAL.—The strike of the anthracite miners in the United States has had a favorable reaction upon some Canadian companies. Those companies engaged in the manufacture of coke have naturally experienced considerably better business. Coke is one of the few substitutes which can be used in place of anthracite coal. As a consequence of the shortage of hard coal, coke prices have risen and this has meant higher prices for such companies as Besco and the Montreal Light, Heat and Power, both of which produce coke; the former metallurgical coke and the latter gas-house coke. Anthracite coal of course is but a minor portion of our total coal imports as it is used only for domestic heating. Crow's Nest has been one of the Canadian companies to benefit as indicated by the rise in the shares on the market.

BELDING - CORTICELLI
MONTREAL, QUE.
DIVIDEND No. 45

Notice is hereby given that on the Preference Stock of this Company, the Directors have declared a Dividend of 1¾%, payable on the 15th of March to Shareholders of record at the close of business the 1st day of March, 1926.

By Order of the Board.

J. P. KENNEDY,
Acting Secretary.

Canadian Pacific Railway Company
Dividend Notice

At a meeting of the Board of Directors held to-day the following dividends were declared:

On the Preference Stock, two per cent. for the half-year ended 31st December last;

On the Common Stock, two and one-half per cent. for the quarter ended 31st December last, from railway revenues and Special Income;

Both dividends are payable 1st April next to Stockholders of record at three p.m. on 1st March next.

By order of the Board,

ERNEST ALEXANDER,
Secretary.

Montreal, 8th February, 1926.

Imperial Oil, Limited
DIVIDEND

NOTICE is hereby given that a dividend of twenty-five cents (25c.) per share has been declared by the Directors of Imperial Oil, Limited, and that the same will be payable in respect of shares specified in any Share Warrant of the Company within three days after the Coupon Serial Number Five (5) of such Share Warrant has been presented and delivered to:

The Royal Bank of Canada,
Toronto, Ontario.

or at the office of:

Imperial Oil Limited,
56 Church Street,
Toronto, Ontario.

such presentation and delivery to be made on and after the 1st day of March, 1926.

Payment to Shareholders of record at the close of business on the 15th day of February, 1926 (and whose shares are represented by Share Certificates), will be made on and after the 1st day of March, 1926.

The books of the Company for the transfer of shares will be closed from the close of business on the 15th day of February to the close of business on the 27th day of February, 1926.

BY ORDER OF THE BOARD.
E. V. A. KENNEDY.
56 Church Street, Secretary
Toronto, Ont.

International Petroleum Company, Limited
Notice of Dividend No. 10

NOTICE is hereby given that a dividend of 25c. United States Currency per share has been declared, and that the same will be payable on or after the 15th day of February, 1926, in respect to the shares specified in any Bearer Share Warrants of the Company upon presentation and delivery of coupons No. 10 at the following banks:

The Royal Bank of Canada,
60 Church St., Toronto, 2, Canada.
The Farmers' Loan and Trust Company,
22 William Street, New York, N.Y.
The Farmers' Loan and Trust Company,
15 Cockspur St., London, S.W.1, England,
OR
The Offices of the International Petroleum Company, Limited,
56 Church Street, Toronto, 2, Canada.

The payment to Shareholders of record at the close of business on the 10th day of February, 1926, and whose shares are represented by registered Certificates will be made by cheque, mailed from the offices of the Company on the 13th day of February, 1926.

The transfer books will be closed from the 11th day of February to the 15th day of February, 1926, inclusive, and no Bearer Share Warrants will be "split" during that period.

By Order of the Board,

J. R. CLARKE,
Secretary.

56 Church Street, Toronto, 2, Canada.
4th February, 1926.

BANK OF MONTREAL

NOTICE is hereby given that a DIVIDEND of THREE per cent. upon the paid up Capital Stock of this Institution has been declared for the current quarter, payable on and after Monday, the FIRST day of MARCH next, to Shareholders of record of 30th January 1926.

By order of the Board.

FREDERICK WILLIAMS-TAYLOR,
General Manager.

Montreal, 19th January, 1926.

The Royal Bank of Canada
DIVIDEND No. 154

NOTICE is hereby given that a DIVIDEND OF THREE PER CENT (being at the rate of twelve per cent per annum) upon the paid-up capital stock of this bank has been declared for the current quarter, and will be payable at the bank and its branches on and after Monday, the first day of March next, to shareholders of record at the close of business on the 30th day of January.

By order of the Board.

C. E. NEILL,
General Manager.

Montreal, Que., January, 19, 1926.

The Canadian Bank of Commerce
Dividend No. 156

Notice is hereby given that a dividend of Three per cent. upon the paid-up capital stock of this Bank has been declared for the quarter ending 28th February, 1926, payable at the Bank and its Branches, on and after Monday, 1st March next, to shareholders of record at the close of business on the 13th day of February, 1926. The Transfer Books will not be closed.

By Order of the Board.

S. H. LOGAN,
General Manager.

Toronto, 15th January, 1926.

ONTARIO

SALE OF HARDWOOD TIMBER

TENDERS WILL BE RECEIVED by the undersigned up to and including the 15th of April, 1926, for the right to cut the Hardwood Timber, comprising Birch and Maple, on an area in the District of Algoma, partly in the Mississaga Forest Reserve and partly in the section immediately South thereof, subject, amongst other conditions, to the manufacture of same into the finished product within the Province of Ontario.

FURTHER PARTICULARS may be obtained upon application to the undersigned, or the Deputy Minister of Lands and Forests, Toronto, Ontario.

JAMES LYONS,
Minister of Lands and Forests.

N.B.—No unauthorised publication of this Notice will be paid for.

TORONTO—January 22nd, 1926.

Feb. 19th. Town of Fort Frances, Ontario, $75,000, Public School, 5½%, 20 years, Serial Debentures. H. E. Marr, Treas.

Manager for one of the "Big Four" banks, important town in Nova Scotia, on account of close confinement desires change of occupation. Well acquainted throughout Maritime Provinces and Newfoundland. Age 40. Reputation will bear closest scrutiny. Would like to represent manufacturer of staple lines, wholesaler or bond corporation. For further confidential particulars or to arrange interview.

Box 6, "Financial Post," Toronto

DEBENTURES FOR SALE

The town of Uxbridge offers for sale by tender closing at noon on February 23rd, 1926, the balance of an issue of ten year, instalment, concrete pavement debentures, bearing five and one-half per cent. interest.

The original issue was for $29,000.00 dated Dec. 15, 1924, and the first debenture thereunder which matured on Dec. 15, 1925, has been paid by the Town out of taxes raised in 1925. The debenture so paid being for $2,252.37 principal, and $1,595.00 interest, totalling $3,847.37.

Tenderers are to assume all legal expenses. The highest or any tender will not necessarily be accepted.

M. H. CROSBY, Esq.,
Town Clerk,
Uxbridge, Ontario.

FACTORY FOR SALE

The Town of Barrie offers for sale a Three Storey, Cement, Factory Building having a floor space of 37,500 square feet. It is located on the main line of the Canadian National Railways and has a private siding. The building is of strong construction, having formerly been used as a carriage factory. There is a steam plant in connection and continuous electrical power is available. Building would easily accommodate a number of medium sized industries if desired. Ideal living conditions and good accommodation for employees. The property will be sold at a very low figure to anyone who will start a bona fide industry.

For further particulars apply to the undersigned,

A. W. SMITH, Town Clerk, Barrie.
Barrie, February 9th, 1926.

Featuring Steel and Construction

THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

Special Section 17 to 28 PUBLICATION OFFICE: TORONTO, FEBRUARY 12, 1926 Special Section 17 to 28

Steel Horizon Brightens in Canada as Trade and Industry Make Recovery

Competition Severe, But Consumption is on the Increase

Railroad and Industrial Requirements Are Again Expanding

THE horizon of Canadian steel industry is brighter to-day than at any time since 1920—possibly than since the war. There are those whose judgment can be relied upon, who predict a vast expansion in the industry during the next five years. Not that any sudden or radical change has taken place, or is expected to take place immediately. But certain developments in the ore purification process, and a combination of depreciated equipment and greatly expanded buying power have possibilities the scope of which is not yet apparent.

It is now beyond dispute that Canada has rich iron ore deposits in the Lake Superior area, and elsewhere, but that, owing to their low grade, their development in the past has not heretofore been feasible. Elsewhere in this issue is discussed the possibility of these ores becoming very valuable through the introduction of a process by which they could be purified at a lower cost than those of the United States which are now the backbone of the iron industry on this continent. Such a situation would bring Canada rapidly forward as a steel producing country.

Two or three factors that have retarded progress in the steel industry recently are now adjusting themselves. The chief of these is the postponement of replacement and renewal of equipment during the past four years as a result of depressed industrial conditions and a general policy of economy. The profits made by the railways have not warranted any great expenditure on equipment. As a result, the rolling stock of the railways and industrial concerns has become depleted. Recovering business is expected to require a large outlay along these lines. There is now no shortage of capital for such purposes. The banks have huge surpluses of loanable funds which can be called into service the moment conditions warrant it. Business recovery is already under way.

Another factor, probably of less importance, which has tended to lower stocks on hand is the ability to fill orders promptly due to improved transportation facilities, principally through the use of the motor truck for this purpose. Orders have been smaller, and a hand-to-mouth policy has been followed, resulting in a shortage of supplies.

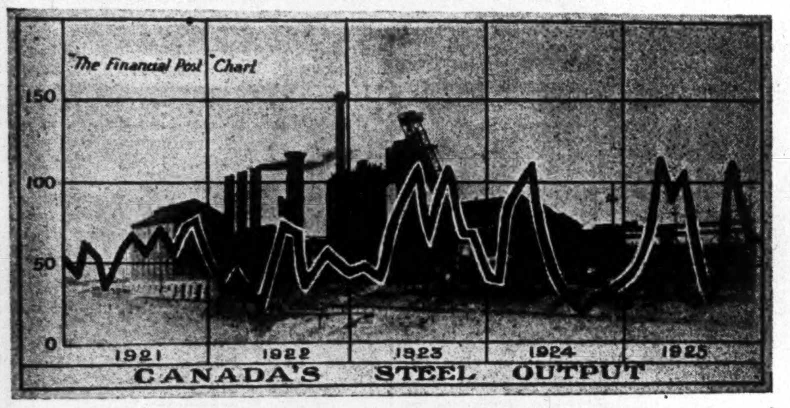
Building and Motoring Expand

Two industries which provide a constantly growing market for steel produced are the motor car and the building industries. Elsewhere in this issue is discussed the remarkable advancement which has taken place in the consumption of automobiles and equipment in Canada. The increasing use of all steel bodies creates a substantial addition to demand, while the lengthening mileage of good roads and improved credit schemes are making for a constantly mounting motor car registration. The building industry also has been expanding almost constantly regardless of depressed business conditions, but there is still a shortage of many classes of building. It is sometimes said that the growing use of concrete in the building industry is having an effect upon sales of steel, not only in structural shapes, but also in the use of nails and steel in its smaller forms. This may be true, but concrete requires steel for reinforcement purposes, and the two grow more or less hand-in-hand. Steel is still an essential basis in building.

Foreign Competition is Keen

On the other side of the question are certain difficulties to be met by the steel producers in Canada. Chief among these is the enlarging capacity and the growing output of the French and German mills at prices

(Continued on page 29)



Changes in Iron Ore Situation May Work to Canada's Benefit

Exploration of Mattawin Range Believed to be Result of Situation in U.S. Iron Ore Royalties and Change in Attitude of Furnace Men to Sintered Ores

By D. E. CUSHING,
Mining Editor, The Financial Post.

The iron ore situation in Ontario is taking on a much brighter outlook. It may mean better things for the Canadian steel industry. Coincident with the launching of the exploration of the Mattawin range near the Twin Cities and reports that Ford interests were actively prospecting in that section, comes the statement of Dwight Woodbridge, Duluth iron ore authority, that there is a definite trend in furnace practice towards sintered ore. It is well known that Ontario's iron ores must be sintered before they can be used in blast furnaces.

It is understood that Mr. Woodbridge is back of the work being done on the Mattawin Range and that he is acting with a number of Minneapolis men. Undoubtedly it is the conclusions reached in regard the attitude of the furnace men coupled with the situation which promises to develop in regard the free ores of the Lake Superior section of the U. S. that has awakened interest in the Ontario ranges.

Some years ago the Matawin range was diamond drilled, but unfortunately the cores were lost and the results obtained are not known in sufficient detail to be of any value. This range has been referred to as the largest in the world. It is magnetite, and in many places along the range there are substantial bodies of high grade.

Mr. Woodbridge in a recent article pictured a rather encouraging outlook, in so far as Canada is concerned. It has long been contended that Ontario ores, requiring special treatment before they would be ready for the furnace, could not compete with the high grade U. S. ores, that only had to be mixed a little before being ready for the furnace. However, many leases are running out and royalties demanded on renewal will likely be much higher. It is believed that this will result in many properties, nearly worked out, being dropped. Free ores will likely see the greatest reduction. With higher royalties, a decline in output and high state and municipal taxes, it has been reasonably suggested, that Ontario ores, with taxes only on profits and in addition a Government bounty, if the ores are treated in Ontario, may be well able to compete.

Furnace Men Change

The other favorable factor for Ontario ores, as Mr. Woodbridge points out is that the furnace men are coming to regard the sintered furnace burden much more favorably. He says the 100 per cent. sintered burden is new but makes the point that some furnaces that have been trying it out have found that the coke consumption is greatly reduced and this cuts costs. Incidentally the sintered burden is the more uniform.

Some rather interesting information on magnetite ores and sinter in the blast furnace was given by the Ontario iron ore committee report:

Since Mesabi Ore became the most important source of iron ore in America, there has developed among the users of these ores apparently a certain prejudice against Magnetites, or, perhaps better, a pronounced preference for Hematites in the blast furnace. In the Eastern States, there has grown up again in recent years, however, a considerable iron ore industry founded on the Magnetites of Pennsylvania and New Jersey and New York State. A few years ago the blast furnace at Port Henry, of the Witherbee-Sherwin Company, was probably the only blast furnace using Magnetites exclusively.

Magnetite is a denser ore of iron than Hematite, and its reduction is more difficult. This can be explained only on the assumption of its lack of porosity or its extreme density, because in the reduction of Hematite to iron it passes through the magnetic stage. Very coarse Magnetite would be objectionable in an iron blast furnace, because the surface presented to reduction would be small compared to the waste. For this reason, furnaces treating Magnetite ore use the ore in small sizes.

Undoubtedly this sinter is ideal material for a blast furnace. It is rough and angular and presents a maximum of surface for reduction. It is comparatively new material in the iron blast furnace charge, and very few furnace men have had any experience with it. Some furnace men who have used Magnetite express a delight for it in furnace.

The Iron Ore Committee made a rather interesting case, which is more interesting to-day because of the outlook for changed conditions, in regard to the beneficiating of iron ores from the Magpie Mine in Michipocoten by the Algoma Steel Company. In an analysis of the entire operation it took 1.3 tons of raw ore from the Magpie to produce one ton of finished product. It is estimated that the difference in mining cost between the U. S. natural ore and the cost of mining this tonnage at the Magpie was 66c. The estimated cost of sintering was $1.25, or a total of $1.91.

To the advantages of our Ontario ores, the committee then found an average was being paid on the U. S. side of 61c. a ton, and a difference of 41c. a ton in taxes, or $1.02 subtracted from the $1.91 was an advantage to the U. S. mines per ton of 89c.

As pointed out above, the outlook is that the royalties in the United States in a very short time will be materially higher, taxes are materially higher, and besides, furnaces, now that they are turning to sintered ores, will pay a premium for sintering over and above the price they will pay for the high Mesabi ores.

Reduction and treatment of iron ores in Ontario should not suffer when it comes to a question of cost, as transportation charges should be if anything lower, and most of the known ranges in Ontario are in close proximity to large undeveloped water powers, which can be developed to provide power at around $25 per h.p., as compared with an average of the United States ranges of $100.00 per h.p.

The Steel Industry's Needs

By W. C. FRANZ, President Algoma Steel Corporation.

Two things are necessary for the development of a prosperous iron and steel industry in Canada—Extension to provide for the manufacture of products not at present made in the country, and reasonable protection from unfair foreign competition. The latter would lend encouragement for the former.

It is most lamentable that our national leaders and legislators cannot, or will not, see the great advantages foreign plants have over Canadian in the production of iron and steel, and take these into account by putting Canadians on a closer level with their competitors by the use of the Customs Tariff.

Mass production, in many cases, for large and well protected home markets and for export with consequently lower costs, cheap labor, low freight rates, depreciated currencies, and even export bounties paid by foreign governments are among the forces which sweep over Canada's tariff fence, already low and further weakened by the many special rates of duty and exemptions provided for.

Were the leaders of the people and guides of national policy in the United States of America faced with the conditions confronting our nation to-day, plans for remedial action would be in the making within twenty-four hours. Their tariff policy, which shuts out any products we might have for export, proves the statement.

We have no desire to ape the United States, but we do feel it is entirely unfair to ask Canadian manufacturers to face and compete with the large United States plants, taking into consideration industrial and tariff conditions as they exist in the two countries. Even old England, free trade die hard that she is, is resorting to protection for certain of her industries, and when she provides protection she makes it real and effective for a specified minimum period of time—no monkeying with the schedules every few months is tolerated there.

The very least our political leaders can do for Canadian industry to-day is to stop the unscientific tinkering with the tariff which has been going on all too long, and establish an impartial board or commission to investigate Canadian agricultural and industrial conditions and put into effect such measures as are necessary for placing them on a sound footing and giving them an opportunity for growth and development.

Record Made in Motor Car Output During Past Year

Increasing Demand is Anticipated During 1926—Some of the Problems Manufacturers Are Facing

THE automobile industry has just completed the best year in its history both in Canada and in the United States. During 1925 there were produced in the United States more than 3,670,000 passenger cars, or more than 10,000 per day including Sundays and holidays. Although figures are not yet quite complete for Canada, it is safe to say that the output was at least 150,000.

The automobile industry in Canada has reached substantial proportions. There are twelve important plants producing motor vehicles in Canada at the present time. They employ more than 10,000 men and women on a payroll of nearly $15,000,000. The value of their products is between $90,000,000 and $100,000,000. Canada stands second only to the United States, in the output of motor cars, of all producing countries. It is indicative of the progress that has taken place, that more motor cars are now made in Canada yearly than were produced during the twelve years ending with 1916. Approximately half of these are used in Canada, and the balance exported.

The annual registrations of motor vehicles in Canada has been increasing at an enormous rate. Last year's figures are not yet complete, but it is estimated that the total will be well over 720,000. During the year about 80,000 new cars were put into service.

Foreign Markets Grow

The experience of the United States, in the motor car industry, would seem to indicate that Canada is still a long way from reaching the saturation point in consumption. One person in every six has a motor car in the United States, while the Canadian proportion is one in fourteen. One factor working to the increase in absorptive power is the growth of installment selling, and the increasingly attractive facilities offered under this plan. Another is the fact that the prices of cars, especially used cars, are lower than ever before, and are coming within reach of a constanly increasing number of people. At the same time the buying power of the individual citizen both of Canada and of the United States, is increasing each year. Another factor working in the same direction is the rapid annual extension in the mileage of good highways in both countries. The room for growth in this respect is naturally greater in Canada. Another factor working for the increase in Canada is the growth in the use of closed cars and in the work of the highways departments in keeping the main highways open for winter use.

The outstanding development of the past few years in the motor car industry is the rapid growth in the use of trucks and buses. The use of the former has been directed particularly, of late, to supplementing the railways in short hauls, and local business. While this is by no means a new development, it has made more progress during the past year than in any previous single year. With regard to the growth in the use of motor buses, there is probably no phase of transportation which has undergone so great a modification in so short a time, as the suburban passenger travel, at least for many years. The bus of 1926 is a combination of efficiency, comfort and luxuriousness, and the construction of this product is adding much to the activity of the industry.

A phase of the industry which is more of a problem in the United States than in Canada as yet is the question of finding an army of new drivers each year to take care of the huge output. Since the number of replacements will not increase greatly over the next few years, it is estimated that the industry must find two million or more drivers each year.

MARKET FOR BRICK EXPANDS ANNUALLY

Still Large Quantity Imported From Abroad—New Pressing Process Effective

There are reasons why Canadian producers are not supplying the country's demand fully. Manufacturers have not had sufficient capacity to do this for several years and are loath to increase manufacturing facilities on account of the difficulty in obtaining the proper quality and kind of clay, and on account of the increasing cost of fuel, oil and labor. There are numerous manufacturing difficulties which the manufacturers are striving to counteract such as warping, lime content, and lack of uniformity in strength and size, which is due largely to uneven firing. Some producers are introducing new types of pressed brick in an effort to overcome these difficulties and some of them have met with marked success.

While it is difficult to obtain accurate figures for the entire Dominion, an authority in building matters estimates that the value of brick manufactured and sold in Canada each year is in excess of $5,000,000.

There are approximately 400,000,000 bricks manufactured in Canada annually. In the allied industries there are eleven plants with a total capital of $1,224,808, reporting to the Dominion Bureau of Statistics. They have a payroll of nearly $300,000, buy materials valued at a similar amount, while the value of their products is not much under $1,000,000. We export a small quantity of building brick, possibly $50,000 worth annually, and at the same time, import more than a million dollars' worth of these products each year.

BUILDING TRADES NO LONGER HALTED BY COLD WEATHER

Now All-Year Industry — Prospects Excellent for 1926 Program

ONE of the outstanding features of construction in Canada is the increasing volume of winter building which has been carried on during the past two or three years particularly. Some time ago it was thought that construction could not be carried on during the months of low temperature successfully. This theory seems to have been entirely discarded and a large number of our most important building projects have been carried on right through the winter months. At the present time large office and apartment buildings are being erected in Toronto, Montreal and other leading Canadian cities, utterly regardless of climatic conditions. This has naturally solved a great many problems with regard to seasonal prices and the seasonal labor market, as well as helping to eliminate the winter unemployment which formerly existed in all of our Canadian cities.

Another factor which increases the programme of building and which promises to do so still more during 1926 is the gradual recovery of business and industry and the movement for home ownership in a number of cities. Relative to the former it may be noted that although there were forecasts two or three years ago that the cities were being overbuilt from the standpoint of office space, it is being found that the new buildings are all being well filled and that the demand for space continues to grow. Two more or less diverse movements exist in residential construction—the apartment building, and the own-your-own-home building movement. Our leading cities have just reached the point where the apartment appears to have become a necessity, and the four or five leading Canadian cities are erecting apartments almost continuously. On the other hand, the automobile is making it possible to enjoy the freedom and advantages of the private home by providing individual means of transportation and is thus opening up large areas that were previously thought inaccessible. As a consequence large residential areas are being opened up in suburban parts of the leading cities.

1926 Prospects Excellent

Taking all these factors into account it would seem reasonable to expect that 1926 will be a larger year than 1925 from a building standpoint.

The population of all of our cities is increasing, if slowly, and there is plenty of money available for expenditure in this and other ways at the moment. The present method of financing a large number of buildings for residential and business purposes through the real estate bonds is releasing a much larger volume of capital for building purposes. That the present time appears to be satisfactory to build from the standpoint of prices is indicated by the following index of building material prices based on the 1913 average:

	1921	1922	1923	1924	1925
Jan.	213	163	164	168	152
Feb.	206	160	165	167	155
March	204	160	166	167	154
April	195	159	166	164	154
May	186	162	167	164	154
June	179	162	168	161	154
July	178	163	169	155	154
August	175	164	168	154	154
Sept.	168	163	167	152	154
Oct.	165	163	167	153	152
Nov.	165	163	167	152	153
Dec.	164	164	166	152	...
Average	183	162	167	159	153

The same thing is true of the rates of wages. Figures are compiled regularly by the department of labor at Ottawa showing the trend of wages in the building industry. Following is a statement of the rate of wages in 13 Canadian cities and seven building trades for the past six years:

1920	180.9	1923	166.4
1921	170.5	1924	169.7
1922	162.5	1925	170.4

According to the figures presented the level of wages in this industry at the moment is approximately the same as that of 1921, and is moving upward rather than downward at the present time. Another factor in the situation is the rate of mortgage money for building purposes. Funds are now plentiful, and the rates ruling are one-half of one per cent. below those prevailing one year ago. Funds are being advanced on reasonable building operations on a liberal scale.

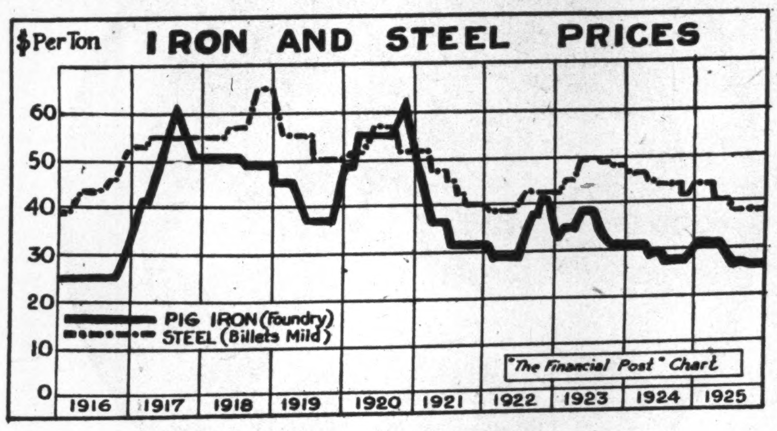
As previously indicated in these columns, Quebec has surpassed Ontario for the building record of 1925 with expenditure of $124,509,000. This represents an increase of 39 per cent. and was due largely to decided activity in the industrial building and power development fields. Ontario came second with a total of $121,248,000 which represents a decline of 10.7 per cent. Following is a statement of the building by classes according to MacLean Building Reports, for the past five years:

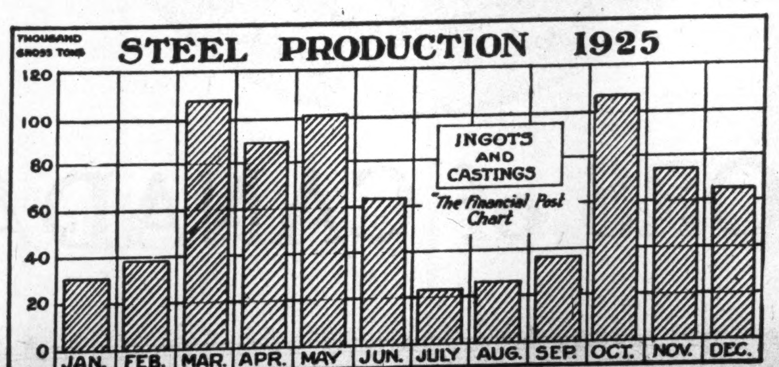
Year	Residential	Business
1921	$ 76,655,400	$ 84,721,700
1922	104,201,500	81,385,700
1923	97,645,200	80,436,800
1924	91,224,800	73,666,700
1925	94,489,900	73,067,100

Year	Industrial	Engineer'g
1921	$16,503,700	$62,252,500
1922	25,755,800	120,500,800
1923	27,022,000	109,150,300
1924	21,765,000	89,604,600
1925	40,007,300	88,408,700

Steel and Construction Stock Records

	Div. R'te	Yield Feb. 6	Range 1924 High	Low	Range 1925 High	Low	Range 1926 High	Low	Price Feb. 6 (or last)
B. E. Steel, com.	.	....	6	1¼	4⅜	1½	3⅛	2⅝	2¾
Do., 1st pref.	.	....	57¾	22	36	22	30	27	27
Do., 2nd pref.	.	....	17	6⅝	14⅝	6¾	10¾	8	8½
Can. Car com.	.	....	54	36¼	57⅝	30	49	33	47½
Do., pref.	7	8.23	97	83½	90¼	73	85½	73	85
Can. Fairbanks, pfd.	.	....	67	64⅝	46	46	..	..	..
Can. Foundries, pref.	.	....	60	43	50	35	50	40	50
Can. Gen. Elec., com.	.	....	58½	52½	55	53	51	51	51
Do., pref.	7	5.93	56½	51⅛	60	50	59	57	59
Canada Iron, com.	.	....	8	4¾	8	8	10	10	10
Do., pref.	.	....	35	25¼	40	32	42	40	42
Can. Locomotive, com.	.	....	72⅛	60	72	35	35	35	35
Do., pref.	7	8.77	92½	73½	90	75½	79⅞	73	79¾
Dominion Coal, pref.	.	....	81	40	50	39¾	42	40½	42
Dominion Iron, pref.	.	....	57	24	30	20	24	20	24
Dom. Bridge	4	4.32	84½	60	104	77	96	80	92½
Dom. Radiator, pref.	7	6.79	103	94	102½	98½	103	103	103
N. S. Steel, pref.	.	....	68	34	32	21	..	..	..
Ont. Steel, com.	4	5.47	45½	39	75¼	41	73	70	73
Do., pref.	7	6.96	93	86	102	91¼	100½	100¼	100½
Russell Motor, com.	.	....	35	17½	44½	24	40	39	39½
Do., pref.	7	7.77	80	48	88	74¼	90	82	90
Steel of Can., com.	7	6.93	84½	69½	99¼	80	102	95⅛	101
Do., pref.	7	6.04	107⅝	99½	116	105	116½	114	115¾
Canada Cement, com.	6	5.58	93⅛	83	114	90½	107¾	101¾	107½
Do., pref.	7	5.98	108	102½	117½	107	120	115½	[illegible]
Lyall Cons.			21	9	28	11	40	20	40
Sher.-Williams, com.	4	6.65	129	100	135	115	131	128¼	129
Do., pref.	7	6.14	106½	98½	115	104¾	114	110½	114
Sawyer-Massey, com.			1	1					
Do., pref.			20⅞	5					





Steel of Canada

Regarded as a Barometer Stock of the Canadian Industrial Group — Has Wide Activities and Sound Management

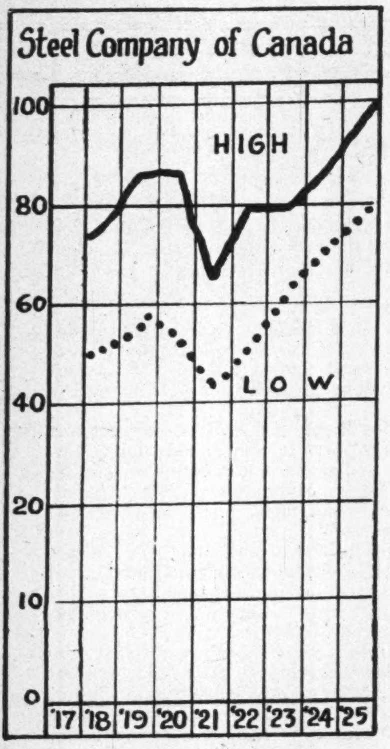
With the better business conditions that are developing in Canada, prospects for Steel Company of Canada are regarded as excellent. The company has a widely diversified output of steel products from the basic steel to such highly-finished articles as nails, wire, etc., and is, therefore, bound to feel immediately the effects of any improvement in business conditions. This has, in part, already been felt and the plants are operating on a better basis than the average of the past few years.

During the past few years of somewhat depressed conditions in all lines of business, and especially in the Canadian steel trade, this company has managed to maintain itself and its traditional powerful position. The cautious, conservative policy of management given to the organization by the directorate over a long term of years has built into it a financial strength that served it in good stead during the unsatisfactory condition that has prevailed. The company has never been lavish in the distribution of profits in the form of dividends; instead, it has pursued a policy of reinvesting earnings in plant and equipment and in maintaining equipment in the peak of condition. It is one of the cleanest, most efficient steel plants on the continent, and this is the result of the management that has been given. All this means much to the investor for it indicates that there is real strength and security behind the company's securities, which are not large in total, but are varied in style.

Stock Went Over Par

During the past year the company's common stock touched par for the first time since the organization in 1911.

As a result of this policy of ploughing back earnings into revenue—producing improvements, as an alternative to paying out all earnings in dividends, and then going into the open market to borrow money for extensions, the company has put its financial affairs in very strong shape. Figures from the balance sheet of 1918 and the balance sheet of 1924 will make this more clear. In 1918, the company had a total plant investment of $28,000,000 and investments of $1,200,000, or a total of $29,200,000. At the end of 1924, plant investment was $29,700,000 and investments $3,600,000 or a total of $33,300,000, accomplished without the issuance of any new securities, either in the shape of stocks or bonds. This, however, does not tell the whole story. In the interval, the company's capitalization has actually been reduced, for while there were $8,750,000 of bonds outstanding in 1918 these had been reduced to $6,400,000 at the end of 1924. The shareholders' equity in the company had been substantially increased in that time. The same increase is proceeding continuously.



Book Value Over $180

At the present time the common stock of the company has a book value of $181.57 a share and, while, under present conditions in the steel industry of Canada, book value is not necessarily an indication of value, the figure is significant. However, add earning power to the book value and investment strength is shown.

Steel of Canada has demonstrated good earning power and in the past ten years has earned nearly $22,000,000. This is over 12 per cent. on the combined preferred and common stock capitalization.

At the present time, Steel common yields about 6.93 per cent. and Steel preferred 6.04 per cent. Steel of Canada preferred has certain features that mark it off from other preferred stocks. The stock participates on an equal basis with the common, after seven per cent. has been paid on the latter stock. As the dividend rate on the stock at the present time is seven per cent., this means that, if the dividend is increased, the preferred stock must share equally. This gives the purchasers of the preferred stock a good yield at the present time, considering the class of the security as well as possibilities of some enhancement in value as the profits increase and dividends are put on a higher basis.

However, investors should not be too optimistic regarding the possibilities of any increase in the dividends on the shares of the Steel Co. of Canada. The company has always pursued a very conservative policy in regard to dividend disbursement, and so long as the present interests remain in control, it is likely to continue to do so. The dividend has gradually been increased and has never been passed or reduced on either of the classes of stock. Undoubtedly, a desire to continue this record will cause the directors to act slowly in increasing the dividend. They will prefer to build up the equities behind the stock rather than to weaken the company's strong position by too early increases in disbursements.

Capitalization—

	Authorized	Outstanding
Common	$15,000,000	$11,500,000
Pref. 7% cum.	10,000,000	6,496,300

Funded Debt—

Bonds 6%	10,000,000	6,440,619

First mortgage gold, due July, 1940.

Dividend Record—

Preferred dividends paid quarterly. Common 7 per cent. Paid same as preferred. Bonus of 1 per cent. paid Feb., 1919; 1¾ and ¾ per cent. paid Feb., 1920, making 7 per cent. for year 1919.

Officers and Directors—

Robt. Hobson, pres., Hamilton; Chas. S. Wilcox, chairman of board, Hamilton; R. H. McMaster, vice-pres.; A. J. Brown, K.C., G. H. Duggan, Hon. Smeaton White, Montreal, C. A. Birge, Hamilton; F. G. Osler, Sir Thos. White, Toronto, and H. G. Dalton, Cleveland, H. H. Champ, sec. and treas., H. S. Alexander, ast. sec. and treas.

Profit and Loss—

	1923	1924
Profits	$2,996,580	$2,510,827
Other income	287,888	356,483
	3,284,468	2,867,310
Sinking fund	277,651	271,212
Depreciation	677,237	677,401
Interest	441,963	394,187
Pref. dividend	454,741	454,741
Com. dividend	805,000	805,000
Surplus	627,876	264,768
Prev. surplus	7,942,372	8,570,247
Bal. Pr. and L.	8,570,248	8,835,015
Percent on com.	14,87	11.66
Per cent. on pref.	33.33	27.64

Eight Years' Earnings—

Year	Earnings	Dividends	Surplus
1917	$6,040,318	$1,144,741	$6,197,854
1918	5,367,120	1,144,741	7,322,872
1919	4,000,940	1,259,741	8,195,302
1920	3,924,041	1,259,741	8,740,965
1921	1,778,661	1,259,741	8,298,516
1922	1,962,169	1,259,741	7,942,373
1923	2,996,580	1,259,741	8,570,248
1924	2,510,827	1,259,741	8,835,015

Market Record—

	1923		1924		1925	
	H	L	H	L	H	L
Com.	79¾	60¾	84½	69½	99¼	80
Pref.	103½	95	107⅜	99½	116	105
Bonds	102½	99	105	100½	105⅜	103½

Algoma Steel Corporation

Company Has Bad Year in 1924-25 But Outlook is Now Much Brighter—Has Received Some Good Rail Orders and By-Products Are in Better Demand

Algoma Steel is one of Canada's great pioneer industries that deserves to succeed. It has battled year in and year out, in good times and in bad, playing an important part in placing Canada on the steel map. It has never been a big profit maker, but it has been a big pioneer effort. Lake Superior Corporation is the parent company and Algoma Steel its chief subsidiary. The latter in turn has a number of subsidiaries. The recent year has been the most difficult yet for the portion of the Canadian iron and steel industry in which the company is interested while the secondary units of the industry, have also marked time.

The outlook is better. The market for many steel shares has been indicating this for some time. Algoma Steel already has evidence of this. Rail orders are better while the demand for by-products, alloy steels, ammonium sulphate is much better. Shipments of the latter will be five times as great as in 1925.

Perhaps nothing shows so well the rather difficult year which the company came through, than statistics on the tonnage of materials and products handled for the past two fiscal years. They show the decline which took place.

	Year 1923-24	Year 1924-25
Coal imported	711,321	268,790
Ore imported	636,985	216,144
Limestone prod.	259,523	107,042
Coke prod.	374,392	218,197
Pig iron prod.	300,685	155,364
Steel ingots prod.	297,960	159,251
Steel products	223,134	123,635

Since the end of the fiscal year some substantial orders for rails were received from both railways.

Capitalization—

	Authorized	Outstanding
Common	$15,000,000	$15,000,000
Preferred	15,000,000	10,000,000

7 per cent. cumulative. All the share capital is held by the Lake Superior Corporation.

Funded Debt—

Purchase money bonds, 5 per cent., due 1944, limited to $5,800,000, outstanding $5,800,000. First and refunding mortgage 5 per cent. bonds due 1962, outstanding $15,459,373.

Dividend Record—

Dividends on preferred regularly paid up to June, 1913, none thereafter until 1918, when 7 per cent. for the year ended June, 30, 1914, was paid; 1919, 7 per cent. for year ended June, 1915, and 3½ per cent. for year ending June, 1916; 1920,1 1¾ per cent. for year ended June, 1916; none since. 9¼ years' preferred dividends were in arrears as of June 30, 1925.

Officers and Directors—

W. C. Framy, pres.; S. Mason, vice-pres.; J. Hawson, vice-pres.; E. W. Shell, treas.; E. Carey, compt.; Alex. Taylor, sec.; R. Home Smith, T. Gibson, F. McOwen, H. C. Coleman, W. H. Cunningham, T. D. Wood, R. W. Childs, H. I. Underhill.

Profit and Loss—

Year end: June 30.

	1924	1925
Net earnings	$1,042,109	†$ 323
Int. on invest.	9,615	8,917
	1,051,724	8,594
Interest	1,075,678	1,078,143
	*23,954	*1,069,549
Prev. debit bal.	755,332	783,154
	*779,286	*1,852,703

* Deficit.
† Loss.

Seven Years' Earnings—

Year	Earnings	Dividends	Surplus
1919	$5,035,032	$1,050,000	$1,433,876
1920	3,147,694	175,000	2,793,444
1921	1,065,906	......	660,083
1922	330,088	......	*171,813
1923	355,093	......	*755,333
1924	1,042,109	......	*779,287
1925	*323	......	*1,852,703

* Deficit

Lake Superior

Capitalization—

	Authorized	Outstanding
Common	$40,000,000	$40,000,000

Funded Debt—

Bonds 5 per ct.	10,000,000	5,278,000

First mortgage due June, 1944. Collateral Trust.

Income bonds.

1 to 5%	3,000,000	2,315,850

Due Oct., 1924, non-cumulative, 5 per cent. paid 1913-17-18-19-20. None since Oct. 1920.

Contingent Liabilities in Respect of the Guarantees of Bonds of the following companies:

Algoma Cent. & H. B. Ry.
Algoma Central Terminals.
Algoma Eastern Railway.
Algoma Steel Corp., Ltd.

Profit and Loss—

(Subsidiaries, excluding the Algoma Central & H. R. Rly. Co.)

Year end, June 30.	1924	1925
Net earnings	$1,156,740	$ 28,685
Div. and int.	1,307,827	1,276,218
Depreciation	86,163	78,403
Balance	x237,250	x1,325,936
Prev. balance	x1,307,949	x1,545,199
	x1,545,199	x2,871,135

x Deficit.

Market Record—

	1923		1924		1925	
	H	L	H	L	H	L
Com.	10⅜	2⅜	5⅜	2½	7⅛	4
Bonds	31	10	19½	13½	23	13½

Officers and Directors—

W. H. Cunningham, pres.; F. McOwen, S. Mason, H. C. Coleman, T. D. Wood, W. C. Franz, vice-pres.; J. W. Gemmell, vice-pres.; Alex. Taylor, sec.; R. Home Smith, H. I. Underhill, South Orange, N. J.; R. W. Childs, J. Hawson, vice-pres. and treas.; J. D. Jones.

Dominion Alloy

A New Venture in the Steel Field Now Turning Out Sheets

Dominion Alloy Steel Corporation was organized to build an alloy steel plant at Sarnia, Ontario. This plant has been built up to a certain point, but at the present time, the only work that is being done is the galvanizing of sheets. Some investment has been made in the further plant necessary for the manufacture of these sheets, but at the present time the black sheets for the galvanizing pot are purchased from mills in the United States.

It is planned to have a capacity of black sheet production of 18,000 tons annually and about 50 per cent. of the expenditure to complete this mill has been made to date.

A considerable amount of stock has been sold in the enterprise, mostly in the State of Michigan, although about $300,000 cash has been invested by Canadian investors. Stock subscriptions now total about $1,800,000 and the company is continuing its financing arrangements in order to provide the cash to complete the sheet mill.

It has been several years coming to its present stage of operations and the further development of the company is likely to be hedged about with considerable difficulties, which the directors are confident of overcoming.

No bonds have been issued and no mortgage put on the plant. The capital has been raised by sale of preferred stock. The president, Wm. B. Boyd, is an electrical engineer, formerly associated with the Mackenzie and Mann interests.

Capitalization—

	Authorized	Outstanding
Common	$7,500,000	$5,000,000
Preferred	7,500,000	5,000,000

8% convertible. Par of both issues, $10.

Funded Debt—

None.

Dividend Record—

Preferred stock has preference for assets and dividends and is entitled to 8% cumulative dividends from Jan. 1, 1924. Dividends payable Jan. and July. None paid on common.

Officers and Directors—

W. B. Boyd, pres.; C. H. Wills, R. V. Le Sueur, W. H. Kenny, C. A. Orr.

Canada Wire & Cable

Capitalization—

	Authorized	Outstanding
Common	$1,500,000	$1,500,000
Preferred	1,500,000	1,500,000

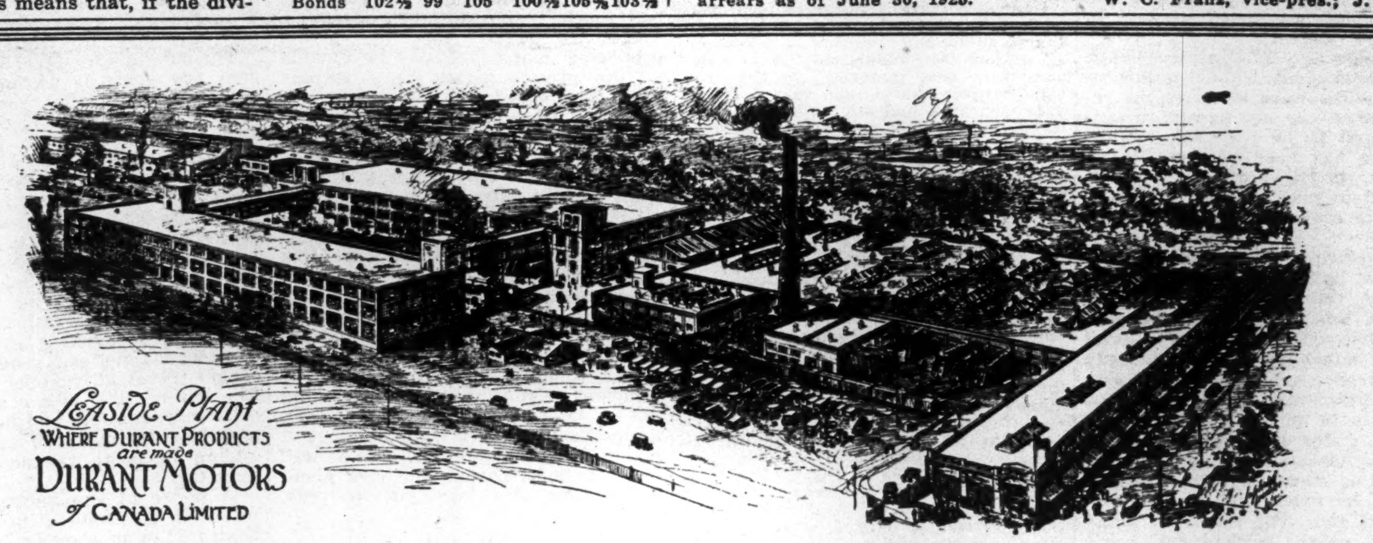
7% non-cumulative.

Dividend Record—

None.

Officers and Directors—

E. A. Wallberg, president; H. J. Boggis, secretary.


Leaside Plant
Where Durant Products are made
Durant Motors of Canada Limited

The New Star

IN THE New Star cars you will find power, rapid acceleration, convenience and comfort in a degree that will surpass anything you would expect to find in a car with such low first cost and economical operation.

The steadily increasing demand for the New Star cars has necessitated material addition to the plant at Leaside and the monthly production is now approximately fifty per cent. higher than for the corresponding period of 1925.

Among Distinctive New Star features are :-

Red Seal Continental Motor.
Morse Silent Timing Chain.
Force Feed Lubrication.
New Transmission suspension.
New Rugged Steel Frame, five cross members.
New Axles, low centre of gravity.
New and Larger Body, with deep upholstery.
Duco Satin Finish in striking new colors.

There is a Star dealer in your district. Ask for a demonstration.

DURANT MOTORS of CANADA Ltd., Toronto
(Leaside,) Ont.

British Empire Steel

Future Appears to Largely Depend on Harmonious Labor Conditions—In the Meantime, Corporation Experiences a Decided Revival in Business

The British Empire Steel Corporation is the largest industrial corporation in Canada and, whilst times have been very bad for the corporation during the past few years, this autumn has witnessed a considerable improvement in this industry, which employs some 15,000 coal miners alone. The coporation is a holding company only. The company possesses one of the most valuable steel and coal properties in the world. There seems to be little doubt that it can continue to earn interest on its bonds and the bonds of its constituent companies, provided, of course, that its labor troubles are eliminated. In this connection it is rather significant to note that Besco appears to have trouble only with the miners—the steel workers, and they are in a hard business, too, maintain friendly relations with their employers. The doleful aspect of the future of Besco is considerably modified by reason of the fact that the corporation has just passed through the most trying four years in the business history of Canada and has been able to earn sufficient to meet the requirements of the trust deeds during all its bond issues. The earnings of each subsidiary company are not given out by Besco. For this reason, it is impossible to definitely say which companies are having the hardest time.

During the past few months the company has experienced better business than it has done for several years and, when the miners finally realize that their prosperity depends solely on increasing the output and keeping costs down, it seems likely that the involved situation in Nova Scotia will show a considerable improvement.

The British Empire Steel Corporation owns three subsidiary companies: the Halifax Shipyards, the Nova Scotia Steel and Coal Co., and the Dominion Steel Corporation. These three are controlled through the ownership of all the outstanding common stock. The last two mentioned companies control between them ten of what might be termed, secondary subsidiaries. A line-up of these companies is seen in the attached chart.

The value of Besco's properties lies in their immense earning power should prevailing conditions be bettered. The future of the corporation lies in one of two directions, either a gradual return to more prosperity, through bettered trade conditions or there is always the possibility of new interests coming into the organization and bringing with them new financing, the investment of which would mean lowered operating costs through improved facilities and equipment for mining, manufacturing, selling and coordinating the corporations' various fields of endeavor.

Capitalization—

	Authorized	Outstanding
1st pref. 8 per cent. cum., series A	$60,000,000	None
1st pref. 7 per cent. cum., series B	40,000,000	8,032,100
2nd pref. 7 per cent. cum.	75,000,000	57,350,000
Com. stock	75,000,000	24,450,000
Total	$250,000,000	$89,832,100

Deduct—held by constituent companies.

7% cum. 2nd pref.	$7,391,425
Common stock	3,144,600
	$10,536,025

Preference stocks of constituent companies outstanding :

Dom. Steel Corp.	4,705,500
Dom. Iron & Steel Co.	3,336,300
Dominion Coal Co.	2,799,400
Nova Scotia Steel & Cl. Co.	969,600
Eastern Car Co.	107,100
Total	$11,917,900

Capital stock of the Acadia Coal Co., outstanding 6 per cent. non-cumulative second

preferred stock	$ 5,500
Ordinary stock	107,800
Total	$113,300
Total outstanding stock as per balance sheet	$91,165,675

Funded Debt—

Bonds and deb. stocks of constituent coys. include—	
Dom. Coal Co. 1st mtge. 5 per cent. bonds due 1940	4,987,500
Dom. Iron & Steel Co. 1st mtge. 5 per cent. bonds due 1929	5,355,000
Also of same company cons. 5 per cent. bonds due 1939	11,674,253
Cumberland Rly. & Coal Co. 1st mtge. 5 per cent. bonds due 1940	2,727,000
Dom. Steel Corp. 5 per cent. five year debs., due 1915	2,000
Employees' deb. 6 per cent.	2,200
Equipment bonds, 6 per cent., ten year	450,000
Nova Scotia Steel & Coal Co. 5 per cent. mtge. bonds due 1959	5,311,944
Also 6 per cent. mtge. debs.	4,978,500
Also 6 per cent. 1st mtge. bonds Eastern Car Co., due 1952	861,000
Halifax Shipyards, 1st mtge. 6 per cent.	1,000,000

Dividend Record—
First preference, series "B" 7 per cent. per annum, payable 1st of Feb., May, August and November, paid to Feb., 1924. Since passed. Second preference and common no dividend yet paid.

Officers and Directors—
R. M. Wolvin, president; Sir Newton J. Moore, vice-president, London; J. E. McLurg, vice-pres., Sydney; Geo. F. Downs; Senator Beaubien, Sir Trevor Dawson, Lord Invernairn, Hector McInnes, K.C., Frank Ross, W. D. Ross, J. P. Casgrain, R. F. Hoyt, C. S. Cameron, sec. and treas., W. A. Doig., asst. sec., L. C. Webster.

Profit and Loss—

	1923	1924
Total earnings	$4,444,346	$ 923,775
Sinking fund	1,112,515	1,112,515
Int. on bonds	1,978,474	2,023,846
Pref. dividends	1,346,524	145,033
Surplus for year	6,833	*2,357,620

* Deficit.

Market Record—

	1923		1924		1925	
	H	L	H	L	H	L
Com.	10	3	6	1¼	4⅝	1⅛
1st pfd.	73	52	57¾	22	36	22
2nd pfd.	26¾	12	17	6⅝	14⅝	6¾

Dom. Iron & Steel

Capitalization—

	Outstanding
Common	$37,000,000
(All held by B. E. S. Corp.)	
Preferred	*5,000,000

*$3,336,300 in hands of the public; $1,663,700 held by B.E. Steel Corp.

Funded Debt—
First mortgage 5% bonds, due 1929, $5,355,000; Consolidated mortgage, 5% bonds, due 1939, $11,674,253.

Dividend Record—
Preferred 7% per annum, payable quarterly. All arrears were paid Oct., 1916. Passed for quarter beginning Jan., 1924, and since.

Officers and Directors—
Same as B.E. Steel Corp.

Market Record—

	1923		1924		1925	
	H	L	H	L	H	L
Pref.	80½	55	57	24	30	20
Bonds	94	84¾	92½	85	92½	88½

Dom. Coal

Capitalization—

	Authorized	Outstanding
Common	$15,000,000	$15,000,000
(All held by B. E. Steel Corp.)		
Preferred 7%	3,000,000	3,000,000
($200,000 held by B. E. Steel Corp.)		

Funded Debt—
First mortgage 5%, due 1940, $5,180,000.

Dividend Record—
Preferred 7% per annum, payable quarterly. Passed for quarter beginning Jan., 1924, and since.

Officers and Directors—
Same as B. E. Steel Corp.

Market Record—

	1923		1924		1925	
	H	L	H	L	H	L
Pref.	86½	80	81	40	50	39¾
Bonds	96	93½	98	86	90	84

BRITISH EMPIRE STEEL CORPORATION
Capital

1st Preference "A"	None
1st Preference "B"	$ 8,032,100
2nd Preference	49,958,575
Common	21,305,400
Total bonds of subsidiaries held by public	37,682,294
The Corporation holds direct the following amounts of preferred stock in its secondary subsidiaries:	
Dominion Iron & Steel Co.	1,663,700
Dominion Coal Co.	200,600
Eastern Car Co.	642,900
The preferred and common stocks of the primary subsidiaries which Besco holds are as follows:	
Dominion Steel Corp., Preferred	2,294,500
Dominion Steel Corp., Common	43,000,000
Nova Scotia Steel & Coal Co., Preferred	192,000
Nova Scotia Steel & Coal Co., Common	15,000,000
Halifax Shipyards, Preferred	3,000,000
Halifax Shipyards, Common	5,000,000

Dominion Steel Corp.—
Debentures, $2,000. Held by public.
Preference, $7,000,000. Besco holds $2,294,500.
Common, $43,000,000. All held by Besco.

Dominion Iron & Steel Co.—
1st Mort. Bonds, $5,355,000. Held by public.
Con. Mort. Bonds, $11,674,253. Held by public. ($4,639,000 guaranteed by Dom. Steel Corp'n.)
Preferred, $5,000,000. Besco holds $1,663,700.
Common, $37,000,000. All held by Dominion Steel Corp.

Dominion Coal Co.—
Bonds, $4,987,500. Held by public.
Preferred, $3,000,000. Besco holds $200,600.
Common, $15,000,000. All held by Dominion Steel Corp.

Cumberland Railway & Coal Co.—
Bonds, $2,727,000. Held by public; guaranteed by Dominion Steel Corp.
Common, $2,000,000. All held by Dominion Steel Corp.

Dominion Shipping Co.—
Stock, $1,000,000. All held by Dominion Steel Corp.

James Pender & Co.—
Stock, $100,000. All held by Dominion Steel Corp.

Sydney Lumber Co.—
Stock, $150,000. All held by Dominion Steel Corp.

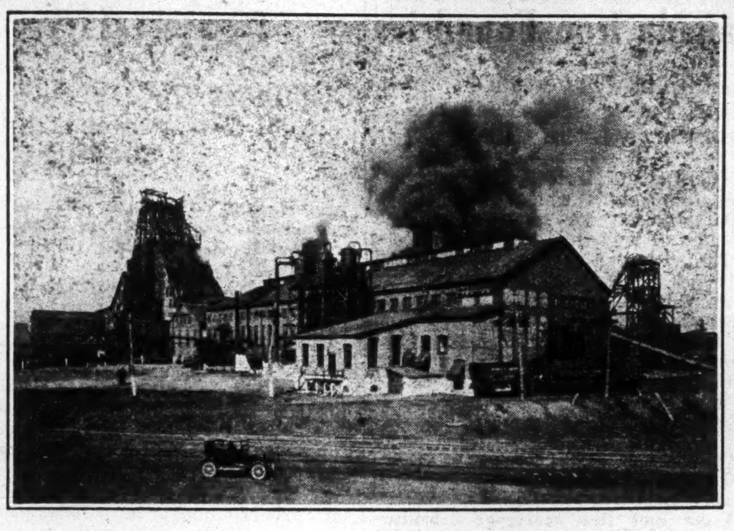
Nova Scotia Steel & Coal Co.—
Bonds, $5,311,944. Held by public.
Debentures, $4,978,500. Held by public.
Preferred, $1,000,000. $192,000 held by Besco.
Common, $15,000,000. All held by Besco.

Nova Scotia Land Co.—
Stock, $11,000. All held by Nova Scotia Steel & Coal Co.

Wasis Steamship Co.—
Stock, $16,000. All held by Nova Scotia Steel & Coal Co.

Eastern Car Co.—
Bonds, $861,000. Held by public.
Preferred $750,000. Besco holds $642,900.
Common, $800,000. All held by Nova Scotia Steel & Coal Co.

Acadia Coal Co.—
1st Preference, $1,900,000. All held by Nova Scotia Steel & Coal Co.
2nd Preference, $1,000,000. $994,500 held by Nova Scotia Steel & Coal Co.
Common, $1,846,100. $1,738,300 held by Nova Scotia Steel & Coal Co.



Dominion No. 2, a Typical Besco Colliery

Dominion Steel

A Primary Subsidiary of Besco Which in Turn Controls Six Companies

The Dominion Steel Corporation is a holding company only whose earnings are dependent upon the earnings of its subsidiaries. The six companies from which comes the entire revenue of the Dominion Steel Corporation represented about 40 per cent. of the British Empire Steel Corporation's investment. The six subsidiaries are as follows: The Dominion Iron and Steel Company, The Dominion Coal Company, Cumberland Railway and Coal Company, Dominion Shipping Company, James Pender and Company, Sydney Lumber Company. All the common stocks of the foregoing are held by the parent organization, the Dominion Steel Corporation, and all the common stock of the latter is held by the British Empire Steel. In addition, the Dominion Steel Corporation guarantees some of the bonds of its subsidiaries.

In 1912, when the preferred stock of the Dominion Steel Corporation was issued and sold chiefly in England, the dividend was given a prior claim to that of its two subsidiaries, the Dominion Coal and the Dominion Iron and Steel, by an issue of income bonds, one of $3,500,000, 6 per cent. of the Dominion Coal Co., and a similar issue of Dominion Iron and Steel bonds. The return on each of these was $2,100,000 a year, making the two together equal to the entire 6 per cent. dividend on the Dominion Steel preferred, which was disposed of to the extent of $7,000,000. Ever since then, up to 1924, the dividend of the Dominion Steel has been paid, whilst the Dominion Iron and Steel was forced on one occasion, before the Besco amalgamation, to pass its dividend.

In view of the fact that the Dominion Steel Corporation passed its preferred dividend in 1924 when all other Besco companies passed theirs, some of the shareholders have maintained that the Dominion Steel Corporation preference shares should receive a dividend. but these shareholders have no more rights than other minority shareholders and it is apparently Besco's established policy to declare dividends on all the preferred issues or on none. Therefore, these income bonds would only be taken into consideration in the event of the winding up of the company

Through its subsidiaries, this company owns the vast iron ore deposits in Newfoundland and limestone properties in Nova Scotia. It operates three iron ore mines. It also owns coke ovens, blast furnaces, mills and steel works in Sydney.

It operates sixteen coal mines in Cape Breton and the Sydney and Lewisburg Railway, and owns distributing facilities situated at Sydney, Lewisburg, and Halifax, N.S., and St. John, N.B., Quebec, Three Rivers and Montreal, P.Q. In addition, it owns such things as barges, etc. The total coal areas controlled by the company and its subsidiaries amount to 180 square miles in Nova Scotia, constituting the most valuable body of coal on the mainland in that province. It owns and operates 48 miles of standard gauge railway and is well equipped for freight and passenger traffic, which affords a means of shipping coal from the mines, both by water from Parrsboro and over the Canadian National Railways. The company owns a fleet of twelve steamships with a carrying capacity of almost 70,000 tons. It utilizes some of its raw products in its own plants where galvanized iron and wire, nails and many other smaller metal products are manufactured.

Again, it owns freehold land in New Brunswick, where there is a mill for the manufacture of lumber, shingles and other lumber supplies.

In common with the other Besco properties, the outlook for this company has considerably brightened of late. Its output has increased considerably and, with the hope for quieter and more dependable labor, the outlook for the future looks brighter than it has done for some time.

Capitalization—

	Authorized	Outstanding
Common	$50,000,000	$43,000,000
Preferred	7,000,000	7,000,000

6% cumulative.
Of the common stock $37,097,700, together with $1,500,000, 5%, 5-year debentures, due Nov. 1, 1915, were issued for acquisition of common stocks of constituent companies.

Funded Debt—
There were outstanding Dec. 31, 1924, 6% employees, debentures to the amount of $2,200; also matured and unpaid 5% debentures, due Nov. 1, 1915, amounting to $2,000, and $450,000, 10-year, 6% equipment bonds.

Dividend Record—
Preferred payable quarterly; passed for quarter beginning Jan. 1, 1924, and since.

Officers and Directors—
Same as British Empire Steel Corp.

Market Record—

	1923		1924		1925	
	H	L	H	L	H	L
Pref.	83⅝	75½	78½	35	38	20½

Nova Scotia Steel

Under Normal Conditions Should be a Good Earner For Parent Company

The Nova Scotia Steel and Coal Co., is a subsidiary of the British Empire Steel Corporation. All the common stock is held by the parent organization, but the public holds bonds, debentures and preferred shares in the company. It owns and operates three or four collieries, but its output is no real factor in Besco's total coal production. Practically this company depends entirely on the earnings of its four subsidiaries, although it owns part of Besco's iron ore deposits and operates one mine in Newfoundland. The company's four subsidiaries are: the Nova Scotia Land Co., the Wasis Steamship Co., the Eastern Car Co., and the Acadia Coal Co. In these concerns the Nova Scotia Steel and Coal holds all the outstanding common stock.

The land company was formed simply to erect and rent frame cottages to the employees of the company and the steampship company owns and operates two ocean-going vessels. The Eastern Car is a large user of the finished products of other companies in the Besco group. The plant is modern in every way and has a capacity of 25 steel frame cars per day, which, with a little expenditure, can be increased to 50 cars per day. Both railroads in Canada are urgently in need of rolling stock and no doubt, as soon as the improved earning power of both roads makes itself more felt, this subsidiary will obtain more orders.

The property of the Acadia Coal Co. consists of approximately 20 square miles in Pictou county, where are located four mines which are being worked at present. The capacity of this company is a daily output of around 2,800 tons. It owns about seven miles of railroad and employs 567 persons. The results from this portion of Besco's activities are under normal conditions, excellent, for the location of the mines gives them a good market.

The outlook for Besco and its subsidiaries has considerably improved of late. It has not been the policy of Besco to issue individual reports of its constituent companies; consequently, it is impossible to give any definite idea of what earnings have been. It is apparently also the parent company's policy to declare preferred dividends on all the companies or on none. It seems reasonable to suppose, then, that preferred dividends will not be resumed on this stock until such time as the corporation arrives at some final solution of the labor difficulties which hampered it so much last year.

Capitalization—

	Authorized	Outstanding
Common	$15,000,000	$15,000,000
Preferred	1,000,000	1,000,000

Funded Debt—
First mortgage 5% bonds, due 1959, $5,311,944. Debenture stock, 6%, $4,978,500.

Dividend Record—
Preferred 8% per annum, payable quarterly. Passed for quarter beginning Jan., 1924, and since. Common 5% per annum, payable quarterly. Deferred for quarter ended Sept. 30, 1914. Resumed by payment on July 14, 1917, of 2½% for half year ended June, 1917. Final payment of 21 cents for period March 31 to April 16, paid Aug., 1921. A stock bonus of 20% was paid Nov., 1917.

Officers and Directors—
Same as B. E. Steel Corp.

Market Record—

	1923		1924		1925	
	H	L	H	L	H	L
Pref.	86	85	68	34	32	21

Eastern Car

	Authorized	Outstanding
Common	$1,000,000	$800,000
Preferred	1,000,000	750,000

6% cumulative; $542,900 held by B. E. S. Corp. Company is controlled by N.S. Steel Co., who own all the issued common stock.

Funded Debt—
First mortgage 6% bonds, due 1952, $861,000.

Milton Brick

Capitalization—

	Authorized	Outstanding
Common	$1,500,000	$841,000

Funded Debt—
First mortgage 6½% bonds, due Apr., 1930, 1935, 1940, $350,000.

Officers and Directors—
J. S. McCannell, pres.; F. R. McCannell, vice-pres.; Wm. S. Kerman, W. J McKenna, M. Bertram, A. G. Browning.

Pressed Metals

An Enterprise Boomed by Munitions Now Turned to Motor Parts

The Pressed Metals Co. of Canada, Ltd., was incorporated in 1917 to engage in the manufacture of tubes and tubular articles made by special process. During the war there was a big demand for the company's product in connection with the manufacture of munitions and the shares gave a spectacular performance. Since the war the company's production has been diverted to the automobile industry. The company is now a holding concern for the preferred and common shares of the American Bushings Corporation, which towards the end of 1924 took over practically all equipment. The Pressed Metals owns all the capital stock of American Bushings. the plant of which is situated at Marysville, Mich. This plant has a capacity of 120,000 bushels per day.

Capitalization—

	Authorized	Outstanding
Common	$2,250,000	$2,213,100
Pref. 8% cum.	250,000	213,000

Dividend Record—
Preferred passed December, 1920, 2 per cent. declared payable Feb. 20, 1926. Common 1 per cent. was paid Nov., 1918, none since.

Officers and Directors—
J. W. Leighton, pres.; C. C. Peck, vice-pres.; W. Dalziel, H. L. Nussbaum, sec.-treas.; F. G. B. Allan, S. Goldsmith, M. Moskin, B. Lowenstein, New York; A. I. McKinley, A. Pardoe.

Profit and Loss—

	1923	1924
Profits	$103,243	x$ 50,672
Other profits	......	18,343
Adjustments	......	244
	103,243	x32,085
Inventory rel.	......	22,773
Depreciation	47,173	50,975
Written off	22,957	18,659
Taxes	7,331	......
Balance	25,782	x124,492
Previous balance	156,835	182,617
	182,617	58,125

x Loss.

Can. Tube & Steel Products

Capitalization—

	Authorized	Outstanding
Common	$3,500,000	$1,600,000
Preferred	1,500,000	1,500,000

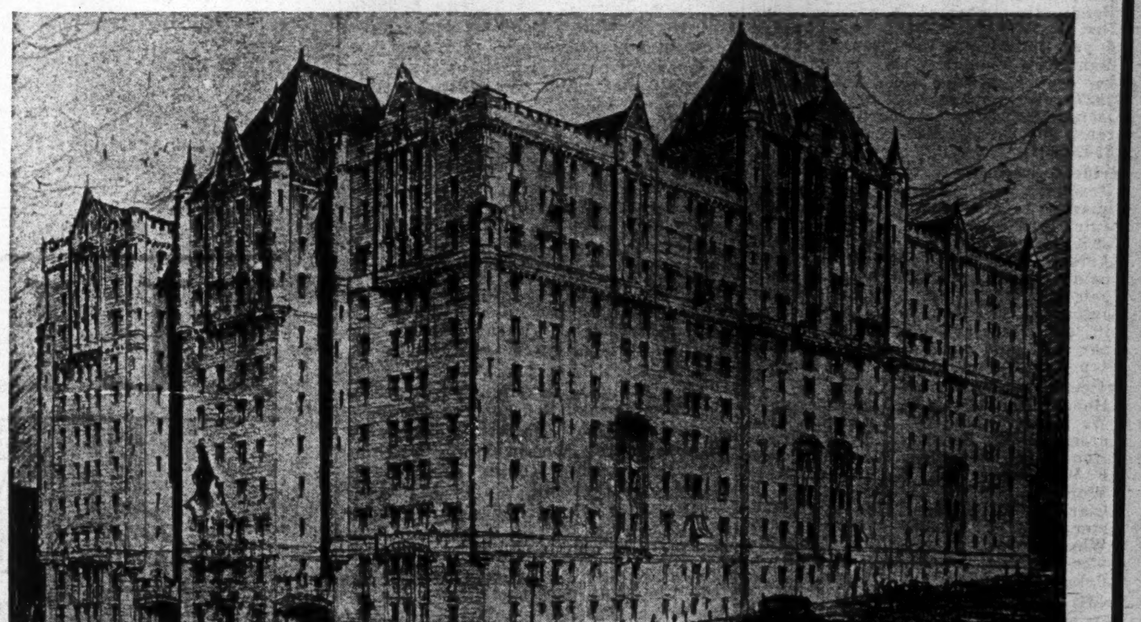
7% cumulative, par $100.

Funded Debt—
Canadian Tube & Iron Co., 6% bonds, due 1932, $146,000; Canadian Rolling Mills Co., 6% bonds due 1933, $123,000; Colonial Wire Mfg. Co., 6% bonds, due 1933, $47,500.

Officers and Directors—
James L. Waldie, pres. and man. dir.; A. H. Hough, vice-pres. and sales mgr.; H. Worrall, sec.; P. B. Nash, treas.; C. Thomson, works mgr.; M. L. Hersey, J. C. Hodgson, H. H. Vaughan, J. W. Ross, G. Hunter, G. A. Coughlin, S. Brock.

J. P. ANGLIN, B.Sc., President.
H. J. GROSS, Vice-Pres. and Treas.
C. D. HARRINGTON, B.Sc., Vice-Pres. and Manager.

ANGLIN-NORCROSS
Contracting Engineers and Builders



Ross & MacDonald—Architects.
H. L. Fetherstonhaugh—Associates.
CHATEAU APARTMENTS, MONTREAL
Anglin-Norcross, Ltd.—Gen. Contractors.

SOME OF OUR BUILDINGS

MANUFACTURING AND INDUSTRIAL BUILDINGS
Ames-Holden-McCready, Limited
Canadian Ingersoll Rand Company (4).
Halifax Shipyards Limited
Tidewater Shipyards Company
Belding-Corticelli Limited (2)
Food Specialists of Canada, Limited
Ford Motor Company, Toronto
Knit-to-Fit Manufacturing Company
Singer Sewing Machine Company
Crane Limited (2)
Canadian Cottons Limited (5)
Steel Co. of Canada, Limited
Grinnell Company, Limited
E. B. Eddy Co., News Print Plant, Hull.

OFFICES AND BANKS
Crane Limited
Drummond Building
Henry Birks & Sons (Halifax)
Bell Telephone Company (3)
Insurance Exchange Corp., Limited
Merchants Bank, Toronto
Bank of British North America, Montreal
Imperial Bank, Montreal
Food Specialists of Canada, Limited
T. Eaton, Limited, Montreal
Albee Building
Furness-Withy Company
Bank of Montreal, Winnipeg.
Bank of Toronto, H. O. Toronto
Canadian Bank of Commerce (2)
Crane Limited

TRUST AND INSURANCE BUILDINGS
Royal Trust Building, H. O. Montreal
Manufacturers Life Insurance Co.
National Trust Building, Montreal
Crown Trust, H. O. Montreal

EDUCATIONAL
Central Technical School, Toronto
King Edward School, Montreal
Kitchener Collegiate
McGill Arts Building
Queen's University (Library)
Loyola College
Catholic High School, Montreal
Renfrew Collegiate

HOTELS AND APARTMENTS
Chateau Frontenac (Hotel)
Chateau St. Louis (Apts.)
Chateau Apartments
Drummond Court Apartments

OTHER CLASSIFICATIONS
St. Denis Theatre
Children's Memorial Hospital
Sherwin-Williams Company
Canadian National Station, Montreal
Royal Coliseum, Toronto
Levis County Railway Car Barns

MONTREAL QUEBEC TORONTO

Canadian Car & Foundry

Obtains Entire Revenue From Car Building—Has Built 60% of Canadian Railway Rolling Stock—Management Believes 1926 Will Yield More Car Orders

The Canadian Car and Foundry Company was organized in 1909 as a consolidation of various railway car manufacturing plants and iron and steel plants; during the past fifteen years has built over 60 per cent. of all the railway cars built in Canada. The organization is the most self-contained car building company in the world and owns and operates in all eight plants. The building of railway cars requires an organization that is complete and expansive; one car building plant, for instance, would include numerous self-contained manufacturing units, such as grey iron foundries, chilled wheel foundries, upholstering, bolster and spring departments.

The company operates four car building plants: two in Montreal and one in Amherst, N.S., and one in Fort William, Ontario. These plants have a possible capacity of 25,000 freight cars and 550 passenger cars per annum; in addition, the plants have an added capacity for such things as car wheels, steel couplers, steel castings and switches.

The company owns and operates two subsidiaries: Pratt and Letchworth Company and the Canadian Steel Foundries. The first of these companies manufactures malleable iron castings and a number of other specialties used on railway cars, whilst the Canadian Steel Foundries owns all the capital stock of the Ontario Iron and Steel Company at Welland and the Montreal Steel Works in Montreal. The plants operated under the name of the Canadian Steel Foundries are situated in Welland, Ontario, and in Montreal. There are two plants in the latter place.

There is no doubt that the railway car building industry in Canada has been much over built, due to over-optimism of the heads of the various companies during the pre-war boom period when the railroads required many new cars. At that time railway expansion was at its height. Naturally the number of cars made in Canada has declined sharply, as compared with pre-war levels.

The car building business in Canada is generally regarded as a feast or famine affair and, consequently, earnings during the past ten years have shown wide fluctuations. The fiscal year of the company which closed recently was one of the famine periods and earnings were much curtailed. Due to lower earnings, the Canadian railroads have not been placing orders for cars, despite the fact that they are both urgently in need of new rolling stock.

The company's earnings are entirely dependent upon its sales of cars and, with the improved railway earnings, it seems likely that 1926 will see a revival of car purchasing by the roads, especially in view of the fact that both railroads require new rolling stock.

One evidence of the improved outlook is the order for 50 cars which the company recently received from the Montreal Tramways.

Capitalization—

Pref. stock, 7 per cent. cumulative	$4,975,000
Common stock	7,500,000

Funded Debt—

Bonds—first mortgage 6 per cent., due Dec. 1, 1939, $4,135,558; 1st mortgage 6 per cent. bonds due 1936, of Canadian Steel Foundries Co., $1,608,530, 6 per cent. negotiable scrip, due Dec. 24, 1927, covering arrears of preferred dividends, $980,342; 1st mortgage, 6 per cent., due 1940, of Montreal Steel Wks., $502,500.

Dividend Record—

Preferred paid quarterly. Deferred for quarter July, 1914; 3½ per cent. paid July, 1918, 7 per cent. in 1919, leaving 22¾ per cent. in arrears to Sept., 1920. Arrears paid Dec., 1920, 5¼ per cent. paid in 1921. Arrears 3½ per cent. paid Oct., 1923, Jan., 1924, April, 1924, July, 1924, and Oct., 1924; 5¼ per cent. in full of arrears paid Jan., 1925. 1¾ per cent. paid quarterly since. Common 4 per cent. paid to June, none since.

Officers and Directors—

Hon. Nathaniel Curry, chairman; W. W. Butler, pres.; W. F. Angus, vice-pres.; H. W. Beauclerk, V. M. Drury, Hon. C. P. Beaubien, Wm. McMaster, F. W. Clergue, Hon. E. C. Smith, Mark Workman, W. H. Woodin, Lewis L. Clark, A. H. Lawrence, Hon. L. C. Webster, W. C. Atwood, vice-pres.; A. Whyte, treas., vice-pres.; A. D. Neale, vice-pres.; A. C. Bourne, sec.; L. A. Peto, comptroller.

Profit and Loss—
Year end. Sept. 30

	1923-24	1924-25
Profits	$1,928,312	$ 256,388
Int. earned	219,326	232,485
Total	2,147,638	488,873
Int. paid	451,417	416,644
Year's pfts.	1,696,221	72,229
Tax provn.	135,000	......
Balance	1,561,221	72,229
Depn.	437,000	402,000
Net profit	1,124,221	*329,771
Pfd. divids.	525,000	525,000
Balance	599,221	‡854,771
Prev. sur.	3,567,148	3,903,870
Total sur.	4,166,369	3,049,099
Pfd. arrears	262,500	393,750
P. and L. bal.	3,903,869	2,655,349

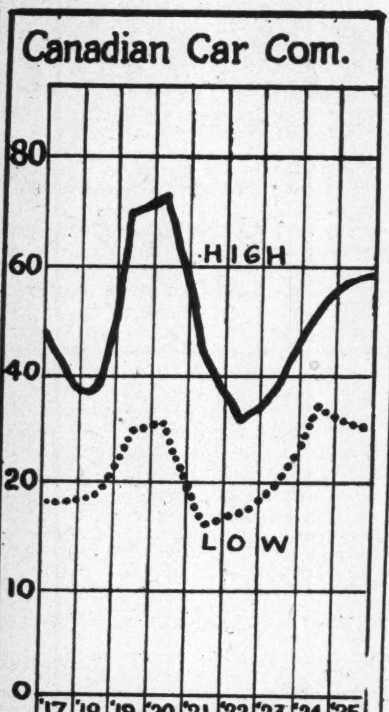
*Debt.
‡Deficit for year.

Nine Years' Earnings—

Year	Earnings	Dividends	Surplus
1917	$2,572,883	$	$2,840,063
1918	4,617,390	262,500	5,830,172
1919	2,993,471	656,250	7,061,557
1920	1,515,712	656,250	6,243,603
1921	1,188,853	2,100,000	3,251,207
1922	209,266	......	2,664,574
1923	2,430,188	525,000	3,567,147
1924	1,928,312	787,500	3,903,869
1925	256,388	918,750	2,655,349

Market Record—

	1923		1924		1925	
	H	L	H	L	H	L
Com.	37	20	54	36¼	57⅝	30
Pref.	87	67¾	97	83½	90¼	73
Bonds	100½	99	102½	99	103	102



Can. Steel Foundries

Capitalization—

	Authorized	Outstanding
Common	$3,000,000	$3,000,000
Preferred	2,000,000	1,400,000

Funded Debt—

Bonds, 6%, due 1936	5,000,000	1,608,530

Officers and Directors—

W. W. Butler, pres.; Hon. C. P. Beaubien, H. W. Beauclerk, W. F. Angus, vice-pres.; W. S. Atwood, vice-pres.; A. D. Neale, vice-pres.; V. M. Drury, Hon. L. C. Webster, A. Whyte, vice-pres. and treas.; A. C. Bourne, sec.; L. A. Peto, compt.

Montreal Steel

Capitalization—

	Authorized	Outstanding
Common	$ 950,000	$700,000
Preferred	1,050,000	800,000

7% non-cumulative. Preferred as to capital. All the stock is owned by Canadian Steel Foundries, and operations are carried on under their name.

Funded Debt—

First mortgage 6% bonds, due 1940, $502,500.

Canada Machinery

Disappointing Showing for Past Year—Unstable Tariff a Factor

Discussing the present position and future prospects of the Canada Machinery Corporation, T. H. Watson, the general manager, says that the volume of business in 1925 in the machine tool field was rather disappointing and for this he attaches responsibility to the unstable fiscal policy of the government which, he says, has caused much timidity in industrial development and the postponement of undertakings involving capital expenditures. As to the outlook for 1926, while good crops have brought advantages and increased the purchasing power of the people, he believes that until the political situation is cleared and manufacturers are assured of a fair measure of protection it is useless to hope for a return of prosperity to restore the company's plants to a normal condition. Mr. Watson also refers to the burdens of taxation and more especially the sales tax, which has now become almost a direct charge on manufactured products, in addition to which the collection of the tax has to be financed and guaranteed by the producer without any recompense for loss in interest or bad debts.

The Canada Machinery Corporation was formed in 1910, the company acquiring the following concerns manufacturing woodworking machinery and machine tools; MacGregor, Gourlay & Co., Ltd., Galt.; John Ballantine & Co., Ltd., Preston; Hesepler Machinery Co., Ltd.. Hespeler, together with the woodworking machinery departments of Goldie & McCulloch Co., Galt, and the Sussex Manufacturing Co., Sussex, N. B. It also acquired the London Machine & Tool Co. In 1915 the business of the company was concentrated at Galt and Hespeler.

Capitalization—

	Authorized	Outstanding
Common	$1,250,000	$1,177,500
Pref. 7% non-cum.	750,000	602,450

Funded Debt—

First mortgage 6 per cent. 30 year bonds. Dated Aug. 1, 1910, due Aug. 1, 1940, $301,750.

Dividend Record—

Preferred 7 per cent. paid for year ended Jan. 31, 1918, 1919, 1920, 1921. Common, 2 per cent. paid, 1918; 5 per cent. 1919; 5 per cent. April 15, 1920.

Officers and Directors—

T. H. Watson, pres.; G. D. Forbes, vice-pres.; R. O. McCulloch, C. H. Easson, G. R. Gray, B. H. Neill, sec.-treas.

Profit and Loss—

	1923	1924
Net loss for year	$ 9,921	$ 19,784
Debit bal. forward	153,240	163,161
	163,161	182,945

Eight Years' Earnings—

Year	Earnings	Dividends	Surplus
1917	$176,711	$ 42,175	$ 96,130
1918	277,101	65,725	100,880
1919	128,144	101,050	103,197
1920	103,162	101,050	73,414
1921	......	......	x95,470
1922	x54,264	......	x153,240
1923	9,921	......	x163,161
1924	19,784	......	x182,945

x Debit.

Preferred dividends have not been paid since the year ending January 31, 1921, and nothing on the common since April, 1920.

Canada Iron Foundries

Conditions Experienced During Past Fiscal Year Undergo Little Change

The Canada Iron Foundries operates four plants which produce iron pipe, wheels for railroad rolling stock, and a general line of castings.

The company has outstanding $689,701 in debenture stock. This debenture stock is secured by a mortgage on all the company's assets, and it is interesting to note the total number of debenture shares outstanding compared with fixed assets of over $5,000,000.

Capitalization—

	Authorized	Outstanding
6% non-cum. pf.	$4,500,000	$3,877,800
Common	1,800,000	1,598,900

Funded Debt—

6 per cent first mortgage debenture stock, due 1939 .... $689,701

Dividend Record—

4 per cent. paid on preference in 1920; 4 per cent., 1921; none thereafter until Dec., 1923, when 2 per cent. was paid; 3 per cent. Jan., 1925.

Officers and Directors—

V. J. Hughes, pres.; C. L. Jobb, vice-pres.; F. Perry, chairman of board; J. T. McCall, F. B. Richards, C. J. Gowan, M. J. McLean, sec.-treas.

Profit and Loss—

	1924	1925
Earnings	$339,769	$350,209
Int. and exchange	64,237	76,333
Depreciation	195,059	195,059
Deb. interest	66,051	64,491
Maintenance	10,255	9,891
Pref. dividend	116,334	155,112
Balance	16,307	1,989
Prev. balance	2,845	19,153
Surplus	19,152	21,142

Eight Years' Earnings—

Year	Earnings	Dividends	Surplus
1918	$617,358	$	$ 6,866
1919	589,043	......	166,356
1920	652,946	155,112	144,855
1921	300,824	155,112	55,522
1922	115,350	......	1,084
1923	348,518	77,556	2,846
1924	339,769	116,334	19,152
1925	350,209	155,112	21,142

Market Record—

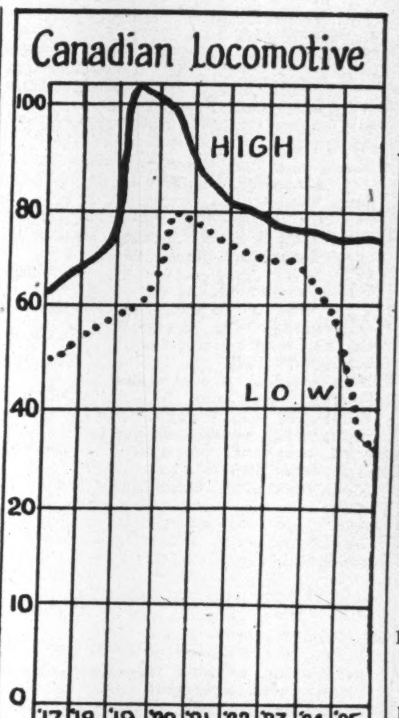
	1923		1924		1925	
	H	L	H	L	H	L
Com	5	5	8	4¾	8	8
Pref.	30	25	35	25¼	40	32

Canadian Locomotive

Conditions Have Been Unsatisfactory Because of Policy of Retrenchment of the Railways But Are Now Showing Some Improvement

Some improvement in the current business and prospects of Canadian Locomotive has recently been indicated, although the year 1925 was generally an unsatisfactory one for the companies manufacturing railway equipment, as indicated by the very material decline in the market for Locomotive common shares. The company is now working on several hundred sheet steel tanks and baskets to be used by the Aluminum Company of America at Chute a Caron. The order, amounting to over $250,000, is said to be the largest, except those for locomotives, ever received by the company, which is also constructing a ten-wheel locomotive for the Alberta Great Waterways Railway. Looking ahead. there would seem to be every reason to believe that the period of retrenchment in equipment buying by the railroads will necessarily have to be followed by more liberal purchases in order to maintain efficency in transportation facilities. Then the outlook for general business expansion should also encourage the railways in the placing of orders for motive power.

The present Canadian Locomotive Company was formed in 1911 to take over the business of the Canadian Locomotive Co., operating under an Ontario charter. The premises occupy three blocks in the City of Kingston with an area of over 300,000 square feet. The substantial buildings include machine shop, boiler shop, blacksmith shop, erecting shop, tender or tank shop, electric shop, carpenter shop, pattern shop, foundries, power house, store warehouse and offices. The present capacity of the plant, which may be said to comprise everything required for the building of the most modern and up-to-date locomotives, is capable of producing a yearly output of about 180 engines.



In view of the extensive and growing mineral development in Canada the company is going into the manufacture of mining equipment in a serious way. As the result of negotiations conducted in Colorada by William Casey, general manager of the company, exclusive rights have been secured to manufacture and distribute in Canada a full line of machinery turned out by the Colorada Iron and Steel Company.

Capitalization—

	Authorized	Outstanding
Com.	$2,000,000	$2,000,000
Pref. 7% cum.	1,500,000	1,500,000

Funded Debt—

Bonds, 6%	2,000,000	1,335,400

First mortgage, sinking fund. Due 1951, trustees hold $164,600.

Dividend Record—

Preference paid quarterly. Common first paid 6 per cent. Oct., 1917, increased to 7 per cent, 1919, and 8 per cent. Jan., 1920; reduced to 4 per cent. July 1, 1922. Passed for quarter beginning Jan., 1925, and since.

Officers and Directors—

Robert Hobson, chairman of board; W. Harty, Jr., pres.; Wm. Casey, vice-pres. and gen. mgr.; F. G. Wallace, R. W. Leonard, C. Birmingham, H. F. Osler, W. L. Matthews, W. F. Angus, G. W. Daly, sec., J. Fournier, treas.

Profit and Loss—
Year end, June 30.

	1924	1925
Net profit	$ 538,441	$ 166,549
Interest	61,231	65,020
On investments	......	3,309
Allow. goodwill	......	33,199
Total income	599,672	268,077
Bond interest	90,000	90,000
Depreciation	......	100,000
Sinking fund	15,000	15,000
Pref. dividends	105,000	105,000
Com. dividends	80,000	40,000
Adj. goodwill	36,901	......
Balance	272,771	x81,923
Previous balance	807,377	1,080,148
	1,080,148	998,225

Earning Rate—

Per cent. on com.	18.38	....
Per cent. on pref.	31.51	5.20

x Deficit.

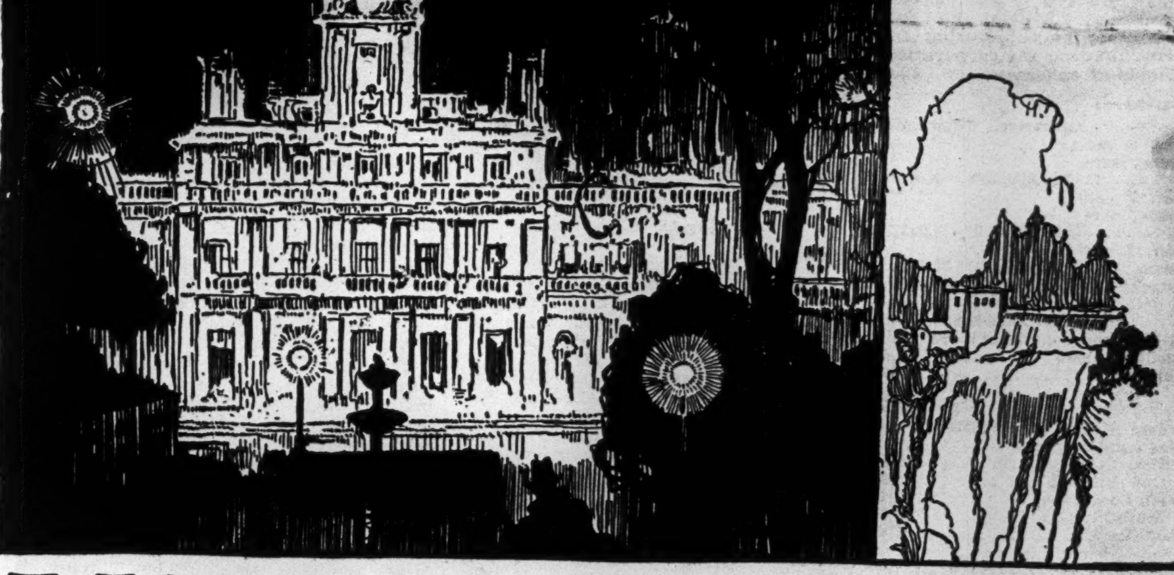
Eight Years' Earnings—

Year	Earnings	Dividends	Surplus
1918	$677,936	$225,000	$ 929,415
1919	892,976	225,000	1,366,794
1920	367,969	250,000	1,210,984
1921	827,091	265,000	1,536,275
1922	*76,299	265,000	1,089,975
1923	7,401	185,000	807,377
1924	599,672	185,000	1,080,148
1925	268,077	145,000	998,225

* Loss.

Market Record—

	1923		1924		1925	
	H	L	H	L	H	L
Com.	75	68	72⅛	60	72	35
Pref.	98	85	92½	73½	90	73½
Bonds	99	96	96¾	96	99	98



ILLUMINATION

WHEN darkness has fallen, we of today revel in light.

Among the many beneficent changes wrought by Electricity in the lives of the people, illumination is assuredly the most widespread in its effects.

Under the magic of illumination buildings take on a new beauty. Streets lose the frown of darkness and extend a smiling welcome. Cities assume a grandeur often surpassing that of day. Homes are beautified by illumination that in itself is a decoration. Old and young may read at night as in the daytime, without eyestrain. Well-lit, a city is always better and certainly safer than a badly-lighted one.

* * * *

In all the long history of mankind we of the present generation are the first to enjoy real liberation from the darkness and the lurking fear of night. Our forefathers knew only the glimmer, not the glory of light by night.

A little over a hundred years ago the City of Montreal installed its first street lamps—twenty-two of them—on St. Paul Street, in order that ladies who were compelled to remain at home by night "might be induced to visit their friends more frequently."

Now, even small villages have streets that are as safe by night as by day, due to electrical illumination.

* * * *

Whenever you see a brilliantly lighted building, or a downtown street ablaze with lights you may know that the magic power which supplies them is running through mile on mile and league on league of wires, and through thousands on thousands of switches and lamps, manufactured right here in Canada.

We are proud of the part this Canadian company takes in the great service which every night brings to Canadian communities everywhere the boon of abundant illumination.

Information

Hydro-electric development in Canada represents a total investment estimated at $767,000,000. At present rate of progress this total will reach $1,750,000,000 by 1940.

Northern Electric
COMPANY LIMITED
Equipment for Transmitting Sound and Power

218

This is No. 13 of a series of advertisements issued in the interest of Canada's electrical development.

Dominion Bridge

Stock Reflects Construction Conditions in Canada—Subsidiary Companies Should Better Earnings in Next Few Years—Bridge Contract Improves Outlook

The stock of the Dominion Bridge Company has had its ups and downs. The post-war period, due to contraction in structural work and bridge work in Canada, has been one of the down periods. Recently the company secured the contract for the steel superstructure of the new South Shore Bridge, to be constructed at Montreal. It is said that this contract will total about $7,000,000 and that "Bridge" should earn approximately 20 per cent. of this total. This would mean $1,400,000, which would be spread over a period of three years from the beginning of 1926 until the time when the bridge is finally completed.

Under this arrangement, the company may stand to earn the equivalent of an additional 7 per cent. per annum upon its $6,500,000 outstanding capital. This, together with the profits from regular business, will mean that the net on the common for the coming three years should range upwards from 11 per cent. At the present time dividends are at the rate of $4 per share annually, but it is thought that once work commences on the new bridge this will be increased, say, to at least six per cent. Earnings over and above this dividend disbursement will be turned back into the company, which will further strengthen its already satisfactory position.

The company operates four subsidiaries: the National Bridge Company, the Dominion Engineering Works, the Robb Enginering Works, Amherst, N. S., and the Canadian Tillsoil Farm Motors.

With the general expansion in business, there seems reason to believe that earnings from regular business will improve, whilst earnings from its subsidiaries may also show an improvement.

Another subsidiary, the Dominion Engineering Works, is engaged in the manufacture of equipment for pulp and paper mills and hydro-electric plants—indications point to considerable expansion in these industries during the next few years.

Earnings during the past fiscal year were very poor but the president has stated that the company enters the present year with the outlook considerably improved.

Capitalization—

	Authorized	Outstanding
Common	$10,000,000	$6,500,000

Funded Debt—

None.

Dividend Record—

An initial dividend of 4 per cent. paid Dec., 1912; 2 per cent., April, 1913; 2 per cent. May, 1913, and same rate paid quarterly to Aug., 1914; Nov., 1914, to Aug., 1915; 1¼ per cent. quarterly, Nov., 1915, and quarterly thereafter to and including Nov., 1916, 2 per cent. regular and 3 per cent. extra each. Feb., 1917, 2 per cent. and 2 per cent. extra, May, Aug. and Nov., 1917, 2½ per cent. each; Feb., 1918, 2 per cent., which quarterly rate was paid to Nov., 1921; 1922, 1923, 1924 and 1925, 4 per cent. each.

Officers and Directors—

G. H. Duggan, pres. and mgr. dir.; W. F. Angus, vice-pres.; A. J. Brown, K.C.; N. J. Dawes, Phelps Johnson, J. M. McIntyre, F. W. Molson, C. E. Neill, J. K. L. Ross, H. H. Vaughan, F. L. Wanklyn, vice-pres.; Howard Murray, J. C. Smith, N. W. Warren, gen. mgr.; F. W. Evens, sec. and asst. treas.

Profit and Loss—

	1924	1925
Profit	$ 398,206	$ 82,076
Depreciation	134,386	135,212
Net earnings	263,820	*53,136
Dividends	260,000	260,000
Balance	3,820	*313,136
Prev. balance	3,230,103	3,233,924
	$3,233,923	$2,920,788

Earning Rate—

	1924	1925
Per cent. on stock	4.06	Nil

Nine Years' Earnings—

Year	Earnings	Dividends	Surplus
1917	$1,186,436	$747,500	$1,679,590
1918	1,865,717	520,000	3,025,307
1919	1,343,305	520,000	3,848,613
1920	964,530	520,000	4,293,144
1921	378,693	520,000	3,671,838
1922	54,661	260,000	3,466,500
1923	290,684	260,000	3,230,103
1924	263,820	260,000	3,233,923
1925	*53,136	260,000	2,920,788

Market Record—

	1923 H	1923 L	1924 H	1924 L	1925 H	1925 L
Com.	78¼	55	84½	60	104	77

*Deficit.

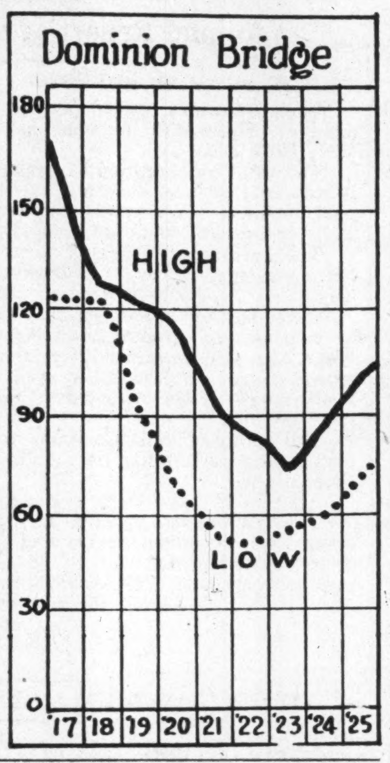
Dominion Engineering

The Dominion Engineering Works is a subsidiary of the Dominion Bridge Company, and has been engaged in the manufacture of water power machinery and pulp and paper machinery. It has been successful in obtaining many large orders in both fields, but it has suffered in the past, however, from over-capitalization. In 1924 the company was reorganized, and the holders of the common stock were wiped out. At that time holders of the preferred stock received one common share in the new company for each two shares of the preferred stock formerly held.

A little over a year ago, in order to provide further working capital, 4,000 shares of common stock were offered to the shareholders.

Although business was not in unusually large volume in 1925, the company's plant operated at normal capacity throughout the year. Paper machinery construction showed a considerable amount of activity, although as anticipated at the beginning of the year, very few new hydro-electric projects materialized, and the hydraulic machinery business was consequently somewhat below normal.

With regard to the outlook for 1926, there does not seem much doubt but that the tide has turned toward improvement in business generally. With the price of newsprint at a lower level than last year, paper mills are working for a reduction in manufacturing costs by the use of more modern and improved equipment.



Capitalization—

	Authorized	Outstanding
Stock	$2,500,000	$2,000,000

(A majority of the stock is owned by the Dominion Bridge Co.).

Funded Debt—

None.

Officers and Directors—

G. H. Duggan, pres.; A. J. Brown, K.C., vice-pres.; J. C. Smith, vice-pres. and man. dir.; F. W. Evens, sec. and treas.; John Owen, Jr., gen. mgr.; J. Garland, supt.; J. S. Houston, compt.; F. W. O'Neill, pur. agent; W. F. Angus, Sir H. Holt, Phelps Johnson, J. M. McIntyre, H. Murray, F. W. Molson, F. L. Wanklyn, G. Chahoon, Jr., H. B. Taylor.

Financial Position—

Total assets as at May 31, 1924, were $4,082,418, and capital surplus, $965,335.

National Bridge

Capitalization—

	Authorized	Outstanding
Stock	$50,000	$50,000

(Reduced from $1,000,000 in 1924). Par $100. Entire issue owned by Dominion Bridge Co.

Funded Debt—

First sinking fund 6% bonds, due 1951, $585,000. As at Oct. 31, 1924, the Dominion Bridge owned $583,500 of the outstanding bonds.

Dividend Record—

None.

Officers and Directors—

J. M. McIntyre, pres.; N. J. Dawes, vice-pres.; F. W. Evens, sec. and treas.; G. H. Duggan; Phelps Johnson, A. J. Brown.

Cockshutt Plow

Company Should Benefit Materially From Orders of Russian Soviet

The outlook for more prosperous conditions for the Cockshutt Plow Co. has been indicated by a marked advance in the price of the shares of the company recently. This advance followed the announcement of substantial orders placed by the Russian Soviet government on terms regarded as attractive from the company's standpoint. In addition the improved outlook for the agricultural implement companies in general in Western Canada is undoubtedly a favorable factor in regard to the affairs of this company.

The company owns large works at Brantford and valuable warehouses there and at Winnipeg, Calgary, Regina, Saskatoon, Edmonton and Brandon, with other warehouses leased at prominent distributing points. The property at Brantford covers more than 33 acres. In addition the company controls through stock ownership the Adams Wagon Co., Ltd., and the Brantford Carriage Co., Ltd., at Brantford.

Capitalization—

	Authorized	Outstanding
Common	$7,500,000	$5,000,000
Preferred 7%	7,500,000	6,465,000

Funded Debt—

None.

Dividend Record—

Preferred paid to June 30, 1914, since which date 31½% has been paid, leaving 43% in arrears as at March 31, 1925. No dividend paid since March, 1924.

No dividends on common.

Officers and Directors—

Col. H. Cockshutt, pres.; F. Perry, vice-pres.; A. K. Bunnell, 2nd vice-pres.; G. A. Baker, E. A. Mott, gen. mgr. and treas.; G. K. Wedlake, works mgr.; E. Sweet, sec.; F. A. Ames, asst. sec.; W. B. Scace, pur. agent.

Profit and Loss—

	†1923	1924
Profits	$ 98,636	$64,346
**Other income	500,000	.....
	$598,636	$64,346
Written off	97,651	61,671
Dividend pref.	387,900	64,650
Surplus	$113,085	x$61,975
Prev. surplus	3,193	116,277
Total surplus	$116,278	$54,302

xDeficit.

†For 18 months to Dec. 31.

**Amount transferred from contingent reserve.

Seven Years' Earnings—

Year	Earnings	Dividends	Surplus
1918	$553,215	$258,600	$ 86,401
1919	571,587	258,600	399,388
1920	660,921	484,875	574,434
1921	624,292	258,600	251,761
1922	5,657	258,600	3,193
*1923	98,636	387,900	116,277
1924	64,346	64,650	54,302

*For 18 months.

Dominion Radiator

Subsidiary of American Radiator With Two Plants in Canada

The Dominion Radiator & Boiler Company, Ltd., was organized in 1923 with a capital of $3,548,400, acquiring the property and assets of the American Radiator Co. of Canada, Ltd., and the Dominion Radiator Co., Ltd. It has manufacturing plants in Brantford and Toronto and also maintains warehouses in Montreal and Winnipeg.

It is a subsidiary of the American Radiator Co., which as a holding company owns the $1,548,400 of preferred and $2,000,000 common shares and $600,000 common shares outstanding.

Although the company's report for 1925 showed smaller profits than for 1924 the net income was sufficient to take care of dividends. The balance sheet shows a very strong position with a surplus of $589,750 and general reserves of $455,287. Current assets total $1,525,766 compared with current liabilities of only $39,938.

Capitalization—

	Authorized	Outstanding
Common	$2,000,000	$ 600,000
Preferred	1,548,400	1,548,400

7% cumulative.

Officers and Directors—

H. H. Leadbetter, pres.; C. M. Woolley, C. M. Parker, C. K. Foster, S. Barham, C. Hodges, C. Carpenter, W. Hodges, sec.; F. J. Mullany, asst. sec.; R. J. Beatty, treas.; M. McGaw, asst. treas.

Profit and Loss—

	1924	1925
Profits	$220,587	$158,255
Other income	19,259	66,572
Total income	$230,846	$224.827
Taxes	64,932	70,120
Depreciation	45,000	45,000
Bad accounts	5,131	......
Dividends	108,388	108,388
Surplus	$ 16,395	$ 1,319
Prev. surplus	572,036	588,431
Total surplus	$588,431	$589,750

Market Record—

	1923 H	1923 L	1924 H	1924 L	1925 H	1925 L
Pref.	99⅝	95	103	94	102½	98½

Greening Wire

Present Enterprise Result of 65 Years of Building by Greening Family

The B. Greening Wire Co., Ltd., was incorporated in 1923, acquiring properties and business of the B. Greening Wire Co. established in 1858. It manufactures all classes of commercial wire cables. wire cloth, screens, chains, etc. Plants are located at Hamilton, Ont., and Montreal, Que. The business had its inception about sixty-five years ago at Hamilton, and has grown during that period under the guidance and management of three generations of the Greening family. The company's products are not only marketed on a national scale in Canada, but in the United States and in Australia and South Africa.

	Authorized	Outstanding
Common (No par value)	20,000 shs.	15,000 shs.
Preferred	$1,200,000	$650,000

7% cumulative. Par $100.

Funded Debt—

First sinking fund, 6½% bonds, due 1943, $800,000.

Dividend Record—

Preferred regularly paid quarterly Jan., April, July and Oct. No dividends paid on common.

Officers and Directors—

H. B. Greening, pres.; F. J. Maw, vice-pres. and gen. mgr.; N. S. Braden, Gabriel Levy.

Financial Position—

Total assets as at July 1, 1924, were $2,667,665, and surplus $244,540.

McKinnon Industries

Company With Long History of Good Earnings Was Recently Re-organized

The McKinnon Industries, Ltd., was organized in the latter part of last year to acquire as a going concern all of the business, assets and goodwill of the McKinnon Industries at shares of McKinnon Dash Company, Buffalo, which businesses were founded about 50 years ago with an original capital of $2,000 and have had a steady and consistent growth until the present, when assets, exclusive of goodwill, are valued at more than $3,000,000, built up very largely from earnings. In connection with the reorganization an issue of $1,000,000 of first mortgage and collateral trust 6½ per cent. 20-year sinking fund bonds was made.

In connection with the flotation of this issue it was announced that McKinnon Industries, Ltd., and the J. H. Williams Co., Ltd., had merged and later it came out that the Ontario Malleable Co., Ltd., of Oshawa, had been acquired by the same interests. It is planned to operate these companies under one management. Total net assets of Ontario Malleables were given as being in the neighborhood of $1,000,000.

Capitalization—

	Authorized	Outstanding
Common (No par value).	50,000 shs.	50,000 shs.
Preferred 7%	$1,000,000	$1,000,000

Funded Debt—

col. trust, 6½% First mort. and bonds, due 1945	1,000,000	1,000,000

Dividend Record—

Preferred payable quarterly, Jan., April, July and Oct. First dividend will accrue from Oct. 1, 1925.

Officers and Directors—

B. W. Burtsell, pres. and gen. mgr.; W. A. Notman, J. C. Notman, Gideon Grant, N. R. Sinclair, F. L. Pattison, R. A. Daly.

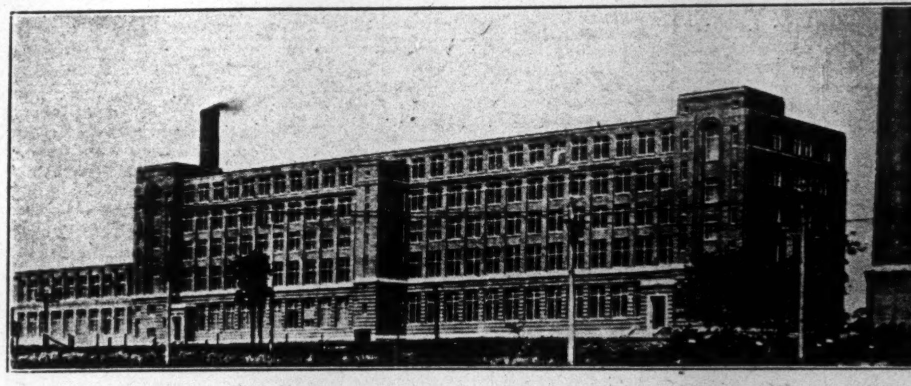
Profit and Loss—

	1923	1924	1925
Gross earn.	$387,818	$381,246	$420,253
Depreciation	151,351	152,942	153,790
Tax. on profit	22,000	21,000	27,000
Avail. for bond int. and div.	214,467	207,304	239,462

ENGLISH ELECTRIC COMPANY
OF CANADA LIMITED
CONTROLLING
THE CANADIAN
CROCKER-WHEELER COMPANY
LIMITED

INDUCTION MOTORS
SYNCHRONOUS MOTORS
DIRECT CURRENT MOTORS
TRANSFORMERS, ALL CLASSES
ELECTRIC TRACTION EQUIPMENT
ELECTRIC WINDING PLANTS FOR MINES
ELECTRIC PLANTS FOR ROLLING MILLS
ALTERNATING AND DIRECT CURRENT GENERATING PLANTS
STEAM TURBINES AND CONDENSERS
FLAME AND EXPLOSION-PROOF MINING MOTORS
ELECTRIC LOCOMOTIVES
ROTARY CONVERTERS
TURBO ALTERNATORS
DIESEL OIL ENGINES
TURBO BLOWERS

MAIN OFFICE AND WORKS:
ST. CATHARINES, ONTARIO
District Offices: MONTREAL, TORONTO, VANCOUVER, SYDNEY, N.S.



Main Mill Building, Courtaulds Limited, Cornwall, Ontario

SPECIALISTS IN EVERY CONSTRUCTION FIELD

REPRESENTATIVE WORK COMPLETED FOR YEAR 1925:

Canadian Pacific Railway Co. - - Bridge Repairs
Courtaulds Limited - - - Silk Mill Plant
Port Alfred Pulp and Paper Corp. - Newsprint Mill
St. Lawrence Paper Mills Ltd. - Sulphite Mill
Southern Canada Power Co., Ltd. - Hydro-Electric Plant Addition
Wayagamack News Ltd. - - - Newsprint Mill

THE FOUNDATION COMPANY
OF CANADA
LIMITED
MONTREAL

ENGINEERS AND CONTRACTORS

Massey-Harris Company

A Great Canadian Industry Which Stands Second in Its Field in World Trade—Big Improvement in Business is Now Being Experienced

Speaking of the farm implement industry in general and of the Massey-Harris Company in particular, Thomas Bradshaw, general manager of the company referred to, states that the implement business is in a better position to-day than it has been since 1920. Sales during 1925, especially in the home market, increased considerably. The farmer at home was not only successful in obtaining excellent crops, but he also received consistently good prices; financially, he has been greatly bettered, and he has been placed in a position to undertake long deferred improvements and to equip himself with many needed tools and implements to assist him to produce more cheaply and with more certainty of a favorable return. Mr. Bradshaw estimates that farm equipment sales in Canada during 1925 were from 60 to 75 per cent. in excess of those in 1924. In this connection, however, he points out that the increase in percentage is largely because the year 1924 was one of the most unsatisfactory in the history of the industry. Exports likewise showed a healthy increase. Farm implements were exported to practically every grain growing country of the world, with Great Britain, France, Germany, Russia, New Zealand, Australia, Argentina and the United States as their chief destination.

As to 1926, the prospects are for still further improvement in the implement industry. The demand for goods should be greater and plants more fully occupied. Mr. Bradshaw makes the point that perhaps never before has the feeling between the implement manufacturer and the farmer been so harmonious. The one cannot get along without the other, and as both have had to pass through trying and difficult times they have come to regard sympathetically the problems of each other.

The Company's History

The Massey-Harris Company, Ltd., as at present constituted, was incorporated in 1891. In addition to the two main plants operated at Toronto and at Brantford, the company controls, through 100 per cent. stock ownership, the Bain Wagon Co., Ltd., with plant at Woodstock, and the Verity Plow Co., Ltd., with plant at Brantford. It also owns 99 per cent. of the capital stock of the Massey-Harris Harvester Co., Incorporated, Batavia, New York.

A. Harris & Son, one of the original companies, had its foundation back in 1858 in Beamsville. The Massey Company had its foundation in Newcastle in 1847 and moved to Toronto in 1879. Each company by 1890 had a record of progress in inventions tested and in actual use, with many awards at field trials and exhibitions in various parts of the world. Each company preserving its own methods and with its own organization had extended its field to a great radius from the parent towns of Newcastle and Beamsville. Each traveled in the West the trail of the pioneer cart before the advent of the transcontinental railways, and both Massey and Harris machines were breaking ground, cultivating and harvesting on the prairies before the Canadian Pacific was built. In all directions the two firms had marched side by side in strenuous competition, and by 1890 they were established with selling agencies everywhere in Canada, and in many foreign countries as well; both had individually reached their limit as competitive concerns. It was then that these two firms, each in some respects the complement of the other, joined forces to reduce the cost of production, distribution and sale, and in 1891 the Massey-Harris Company came into being. The advantages of the amalgamation were many. The best points of machine of both companies were combined and the cost of production and distribution was reduced. The result was that in 1892 substantial reduction in the prices of some machines was announced and new implements embracing the best features of the rival machines appeared.

In 1891 the plant and business of J. O. Wisner Sons & Co., was acquired. A few years before it had absorbed the business of Patterson Bros., which was founded in 1850 at Richmond Hill. The Verity Plow Co., which was also manufacturing plows formerly made by the Patterson Co., was also merged into the Massey-Harris organization. In 1895 the company extended its activities to include the manufacture of farm wagons through affiliation with the Bain Wagon Co. Looking to the American field the company in 1910 acquired control of the Johnston Harvester Co., at Batavia, New York, thus securing an important place in the United States market and greatly increasing the output. Other absorptions looking to the rounding out of the line of farm equipment included the Deyo-Macey Engine plant of Binghampton, New York, the Corbin Disc Harrow business at Prescott, and the Kemp Manure Spreader Co., of Stratford.

The company is known all over the world as a manufacturer of farm implements. It sells side by side in world markets with the great International Harvester Co., and is only second to that corporation in world importance. In fact, so important has become the foreign trade of the Massey-Harris Co., that it represents about 70 per cent. of the total volume of the business. Prior to the war important fields were being developed in the European countries, and in Russia and Germany in particular. The great conflict seriously upset this business, but a certain measure of order is now being restored and new expansion in European trade is anticipated in the future.

Recently the company has become particularly interested in the manufacture of a new reaper thresher. This machine cuts the standing grain, threshes it and bags it ready for shipment in the one operation. The machine has been a great success in countries like Argentina, where the climate is hot and dry, and it is now being also used quite extensively in the northwestern states. In 1925 experiments were made in Canada with considerable success but it remains to be seen in how far it can be used on the prairies, considering weather conditions, but it promises in the future to become an important factor in reducing the harvesting costs in the great western wheat fields. These machines have also become an important factor in the company's Australian trade.

The company has its distributing branches in every important country where agriculture is followed. In South America, in the Orient, in the Antipodes, and in practically all developed parts of the old and new world the agencies of the Massey-Harris Co., will be found.

The company's report for the year ending November 30th last, showed net income of $2,346.543, compared with $1.065,180 for 1924, while in addition there was $661,139 made available by recovery of assets previously written off. This indicates a splendid recovery of the company's affairs. A few years ago the company owed its bankers a sum between $12,000,000 and $13.000,000, representing implements sold on credit. Not only has this debt been liquidated, but recently the company has been able to show a substantial cash surplus.

Capitalization—

	Authorized	Outstanding
Stock	$25,000,000	$24,179,800

Shares, $100 each.

Funded Debt—
Massey-Harris Co. — Massey-Harris Harvester Co., sinking fund gold debenture notes, 8%, due 1930, $2,400,000.

Dividend Record—
Cash dividends paid each year, 1897 to 1921. In 1922 dividends were suspended in order to conserve cash resources.

Officers and Directors—
J. N. Shenstone, president; T. Bradshaw, vice-pres. and general manager; Leo Symth, sec.; C. L. Wisner, G. Valentine, C. D. Massey, E. R. Wood, A. S. Patterson, J. G. Hossack, T. A. Russell.

Profit and Loss—	1925	1924
Net income	$2,346,543	$1,065,180
Recov. of assets	661,139	....
	$3,007,682	$1,065,180
Interest charges	480,513	667,668
Deprec'n.	939,165	282,567
Inc. taxes	150,000	......
Loss on receivables	....	....
For exchange and taxes	....	....
Pension and insurance	26,830	27,235
Total deduc. ...	$1,596,508	$ 977,469
Net profit	$1,411,174	$ 87,711

Sawyer-Massey

One of the Companies Which Should Benefit From Better Conditions in West

While the stock market fails to indicate that the Sawyer-Massey Company has benefited as the result of improved conditions in Western Canada to the extent of some of the other farm implement companies, it is presumed that it will share in the substantial increase in buying power in the agricultural community. The 1926 farming season should see considerable improvement in the demand for the company's product. Of course, this company has faced very difficult conditions and there is a long way to go before anything can be seen for the shareholders.

The Sawyer - Massey Company manufactures agricultural steam engines, gasoline tractors, threshers, and road machinery, vertical boilers, saw mill machinery, etc. In addition to the plant at Hamilton, there are branch offices at Winnipeg, Regina, Saskatoon, Calgary and Edmonton. The manufacturing site at Hamilton covers over 12 acres. All of the buildings have been reconstructed during the past few years under modern principles, and are well equipped to take care of the present business most economically, and at the same time to provide for the rapid growth and development of agriculture and the consequent need for engine threshing machines and road machinery in the West.

The company has outstanding $1,500,000 of preferred stock, and the same amount of common stock. First mortgage bonds at 6 per cent. have been issued to the extent of $866,000 of which $581.100 have been redeemed. $86.400 are unsold and there are outstanding $218,500. The Canadian Bank of Commerce is holding $2.000,000 of 6 per cent. debenture stock as collateral security. The preferred dividend was deferred for the quarted beginning January 1, 1914, making over 80 per cent. arrears on this issue.

Capitalization—

	Authorized	Outstanding
Common	$3,500,000	$1,500,000
Preferred	3,500,000	1,500,000

Pref. 7% cumulative.

Funded Debt—

First mortgage 6% bonds, due 1927	1,500,000	218,500

Dividend Record—
Preferred 7% per annum, and deferred for quarter beginning June 1, 1914, and since.

Officers and Directors—
T. B. Christie, pres.; H. Aird, vice-pres.; Cyrus A. Birge, C. S. Wilcox, A. Hutchison, D. B. Dewar, H. A. Clark, D'Arcy Martin, K.C.; T. A. Hunt, K.C.; H. R. Gillard, sec.

Profit and Loss—	1924	1923
Loss for year	$ 61,840	$ 70,984
Bond interest	14,409	17,946
Bond expense	4,284	4,205
Exp. prev. year .	534	6,600
Stock writ. off .	6,063	25,850
Prof. and loss deb.	$ 87,130	$125,585
Prov. for shrinkage in accts. receivable	17,036	46,461
Debit bal. forward	652,165	480,119
Total deficit	$756,332	$652,165

Market Record—

	1923		1924		1925	
	H	L	H	L	H	L
Common ...	3	3	—	—	1	1
Preferred ..	19	12	—	—	20⅞	5

Pedlar People

A Big Concern Built up on Modern Demand for Sheet Metal Products

The Pedlar People, Ltd., was incorporated in Canada in 1911 to succeed the Pedlar Metal Roofing Co., which was the outgrowth of a business started in 1861. It manufactures standard lines of sheet metal building material, comprising roofing, sidings, eavestrough, pressed metal ceilings and walls, store fronts, etc., metal lath and expanded metal used for exterior and interior plastering, and for reinforcing concrete, metal culverts for railways, roads, etc., and stampings for automobile bodies, including all the sheet metal parts used in the making of bodies, gas tanks, fenders, mufflers, etc. The plant located at Oshawa, Ont., has been constructed at a cost of $550,000 and contains over a million dollars' worth of machinery, employing 350 people. There are warehouses in Toronto, Winnipeg, Montreal, Calgary and Vancouver.

Capitalization—

	Authorized	Outstanding
Capital stock	$400,000	$400,000

(Stock is closely held.)

Funded Debt—
First mortgage 8% bonds, due $25,000 annually, Jan. 1, 1926, to 1940 inclusive, and $50,000 Jan. 1, 1941; outstanding $425,000.

Officers and Directors—
W. R. Geikie, pres.; W. E. Ramsay, vice-pres.; F. L. Mason, F. E. Dingle, M. H. Ludwig, Mrs. S. E. Pedlar, Grace B. Geikie, E. B. Northwood.

Investment interest in the company centres in an issue of $420,000 of first mortgage, 8 per cent. bonds, due $25.000 annually from 1926 to 1940, inclusive, and $50,000 in 1941. These bonds are subject to call, as a whole or in part, at 102 and interest on any interest date on and after January, 1923. The longest maturities are to be redeemed first if all outstanding bonds are not redeemed.

Port Hope Sanitary

Common Stock Attractive Because of Policy in Retiring Preferred

The modern use of sanitary equipment on an ever-increasing scale in both residential, office and factory construction has been an important factor in the operations of the Port Hope Sanitary Company. The better business being done by this company has been reflected in the strength of the stock and the outlook is regarded as satisfactory, with at least an average volume of building in prospect for this year. It is understood that the report for 1925 will show, after allowing for preferred dividends, profits of approximately $200,000, or about $27 per share on the $750,000 of common stock outstanding.

The Port Hope Sanitary Manufacturing Co., Ltd., was incorporated in 1916 acquiring the property and assets of the Standard Ideal Co., Ltd., of Port Hope. The company manufactures enamel ware with showrooms at Montreal and Toronto, in addition to the factory at Port Hope; the annual capacity is about $1,000,000.

Investment interest in the stock has been increased by the policy of the company, which has secured authority to decrease the authorized capital stock from $1,250,000 to $750,000, such decrease to be effected by the purchase and cancellation of the outstanding preferred stock. There is no funded debt.

Capitalization—

	Authorized	Outstanding
Common	$750,000	$749,500
Preferred	300,000	249,400

7% cumulative.

Funded Debt—
None.

Profit and Loss—		
Profits	$198,407	$181,928
Other profits ...	1,150	14,179
	$199,557	$196,107
Insurance	2,474	....
Depreciation	52,787	53,180
Income tax	15,155	12,932
Writ. off goodwill	100,000	106,626
Net profits	$ 29,141	$ 23,369
Bal. forward	49,130	49,829
	$ 78,271	$ 73,198
Pref. dividend ...	28,442	19,524
Balance	$ 49,829	$ 53,674
Earning rate:		
% on common	0.19	0.51
% on preferred .	9.71	9.35

Six Years Earnings—

Year	Earnings	Dividends	Surplus
1919	$132,015	$	$97,107
1920	69,292	87,593	54,592
1921	91,211	31,920	75,928
1922	203,785	76,890	49,130
1923	198,407	28,442	49,829
1924	181,928	19,524	53,674

Dividend Record—
Preferred 7% annum, payable Mar., June, Sept. and Dec. 1. Two years' dividends to Aug. 31, 1919, were paid by the issue of $56,000 preferred stock. On common an initial dividend of 6% was paid Dec. 20, 1922; none since.

Officers and Directors—
J. A. Kilpatrick, pres., Fred Armstrong, vice-pres. and gen. mgr.; F. J. Neale, D. M. Galloway, C. E. Jobb, W. H. MacBrien, J. W. Cluff.

Market Record—

	1923		1924		1925	
	H	L	H	L	H	L
Pref.	99	80	90	90	100	88
Com.	57	45	61¼	48	85	53

BRITISH STEEL TRADE IN DECLINE BEFORE THE WAR

Mills in Britain Helped Continental Firms to Commence Production

The condition of the British iron and steel trade is apparently very bad, and the outlook not encouraging, says a recent issue of the "Besco Bulletin" published by the British Empire Steel Corporation. Most people are inclined to blame the war and its effects for this condition, but it is possible that it would have come about if the peace of the world had not been broken and world relations had not been shattered as they were by the events which filled the years between the fateful days in July and August, 1914 and the date of the Armistice, more than four years later.

The process of disintegration began long before the war, and in 1914 it was well on the way. The British tin-plate industry, which in its prime dominated the world, had become dependent upon German and other continental mills for the sheet bars from which the black plates are made. These bars were formerly made by British mills, but with the mistaken idea that it was good business to buy them from Germany, if the Germans could or would sell them for less money than it cost to make them at home, the manufacture of plate bar in Great Britain was practically killed. The manufacture of steel wire, and of a great variety of commodities made from wire, was a highly developed branch of industry, especially in what is known as the Black Country in England, and there the steel rods from which wire is drawn were made until they could be procured at lower cost from Belgium and Germany.

The same thing was true, though perhaps not so completely and strikingly, in respect to many forms of finished and semi-finished steel. Blooms and billets were imported by the English, Welsh and Scottish rolling mills, which in the beginning had either made their base material or had procured it from British steel works.

Assist Continental Works

Instead of setting themselves to the task of producing those basic forms in the most economical manner and so developing and building up their own resources, they assisted in the establishment and strengthening of continental works which, as time went on, did not stop with the production of basic forms for others to work up into finished commodities, but went on to manufacture finished materials themselves, and eventually became the competitors of the very people who had furnished them with the means of reaching a position to compete in the markets of the world for the trade in those finished commodities, the primary materials for which the British steel works had been content to draw from Germany and Belgium.

The process went on even further and British merchants filled many of the orders, which their wide connection enabled them to secure, with finished materials made in continental works. When war broke out in 1914 Great Britain was dependent upon continental wire works for all the wire nails and much of the steel wire required for domestic use as well as for its export trade.

A large part of the tinplate business had been lost and the remainder was hampered by the fact that the mills which formerly had rolled plate bar had been dismantled or allowed to run down. Other branches of the steel trade had suffered in the same way.

During the war these things were lost sight of in the activities that arose out of it, and after the re-establishment of peace the general dislocation of trade and the diminished purchasing power of the whole world appeared to account for much of the depression that overtook the British iron and steel industry.

It is possible, however, that by this time, even if there had been no war, conditions would have been nearly, if not quite, as bad as they are now.

CANADA CEMENT COMPANY LIMITED

Annual Report of the Board of Directors

TO THE SHAREHOLDERS:—

Your Directors beg to present herewith the sixteenth Annual Statement of affairs and financial position of your Company as at December 31st, 1925.

The total consumption of cement in Canada in 1925 was 3% less than it was in 1924 and does not exceed 80% of pre-war consumption. Export business, however, showed a very gratifying increase, enabling your mills to operate to approximately 50% of their capacity.

The sales tax, which of necessity must multiply before it reaches the consumer, is very detrimental to new construction; we trust that conditions in the near future will permit the abolishment of this tax

There is no question but that Canada's purchasing power in 1926 will be considerably greater than it has been for some years, due to good crops, the prices received for same and the large increase in Canada's export business. This increased purchasing power and the hoped for abolishment of the sales tax should result in an increased demand for your product.

The policy of your Company to reduce the price of cement when circumstances permit has been followed and this policy it is our intention to continue.

Your mills have been well maintained, are efficient and economical.

Your Company's income during the past year, derived from sources other than the manufacture and sale of cement, shows a gratifying increase, reaching the sum of $644,762.35 and there is every prospect of your income from these sources continuing to increase.

All of which is respectfully submitted,
On behalf of the Board of Directors,
F. P. JONES,
President.

CONSOLIDATED BALANCE SHEET, DECEMBER 31st, 1925.

ASSETS

PROPERTY ACCOUNT:				
Land, Buildings, Plant, Equipment, etc., at original cost with subsequent additions, less Depreciation to date including $1,543,233.19 for the year 1925				$23,305,222 42
INVESTMENTS:				
Bonds (not in excess of market values)			$6,788,808 66	
Investments in and Advances to other Companies			950,932 69	
				7,739,741 35
CURRENT ASSETS:				
Inventories			$1,962,899 68	
Accounts Receivable (less Bad Debt Reserve)—				
Customers' Accounts and Bills Receivable		$338,317 38		
Other Accounts		596,671 39		
			934,988 77	
Deposit on Tenders			125,000 00	
Cash			223,210 60	
				3,246,099 05
DEFERRED CHARGES TO OPERATIONS				90,358 94
				$34,381,421 76

LIABILITIES

CAPITAL STOCK:				
AUTHORIZED:				
Preference—110,000 Shares 7% Cumulative of $100. each			$11,000,000 00	
Ordinary—190,000 Shares of $100.00 each			19,000,000 00	
			$30,000,000 00	
ISSUED:				
Preference—105,000 Shares 7% Cumulative of $100. each			$10,500,000 00	
Ordinary—135,000 Shares of $100.00 each			13,500,000 00	
				$24,000,000 00
FIRST MORTGAGE 6% TWENTY YEAR GOLD BONDS:				
Authorized and Issued, due October 1, 1929			$ 8,000,000 00	
Less: Redeemed through Sinking Fund			3,116,653 16	
				4,883,346 84
CURRENT LIABILITIES:				
Accounts Payable			$ 1,131,817 52	
Bond Interest accrued at December 31, 1925			73,250 19	
Preference Dividend No. 64, payable February 16, 1926			183,750 00	
Ordinary Dividend No. 39 paid January 16, 1926			202,500 00	
				1,591,317 71
RESERVES:				
Fire Insurance			$ 1,161,570 48	
Extraordinary Repairs and Renewals			480,000 00	
Cotton Sacks Outstanding			150,000 00	
Industrial Accidents			124,000 00	
Contingent Reserves (a portion of which is available for Government Taxes)			634,760 40	
				2,550,330 88
SURPLUS:				
Balance at December 31, 1924			$ 1,266,450 08	
Profits from operations for year 1925 after making provision for Depreciation	1,699,243 68			
ADD: Income from other sources including Interest on Investments	644,762 35			
		$2,344,006 03		
DEDUCT:				
Bond Interest	307,459 30			
Contingent Reserve	200,000 00			
Fire Insurance Reserve	150,570 48			
Reserve for Extraordinary Repairs and Renewals	40,000 00			
Reserve for Industrial Accidents	11,000 00			
		709,029 78		
DEDUCT:				
Dividends—		$1,634,976 25		
On Preference Stock	$735,000 00			
On Ordinary Stock	810,000 00			
		1,545,000 00		
			89,976 25	
				1,356,426 33
				$34,381,421 76

AUDITORS' REPORT TO THE SHAREHOLDERS:

We have examined the Books and Accounts of the Canada Cement Company Limited for the year ending December 31, 1925, and have obtained all the information and explanations which we have required. The operating profits of the year, as shown above, are arrived at after deduction of Depreciation and other provisions; and we certify that in our opinion, the Balance Sheet at December 31, 1925 is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs, according to the best of our information and the explanations given to us and as shown by the the Books of the Company.

Approved on behalf of the Board:
F. P. JONES, Director.
H. L. DOBLE, Director.

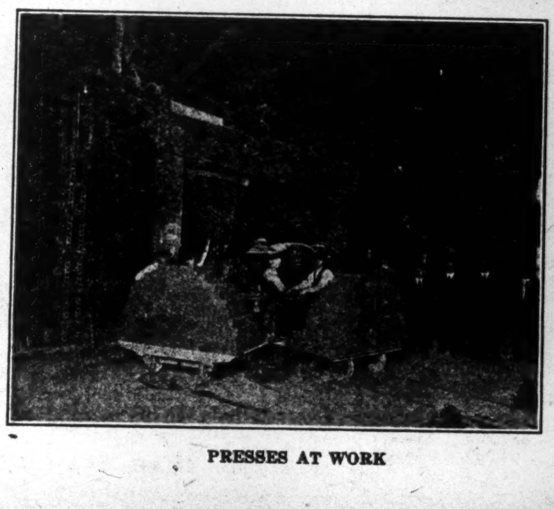
PRICE, WATERHOUSE & CO.,
Auditors.
Montreal, February 3rd, 1926.

THE EUREKA PRESSED BRICK
(DEPENDABLE) BUILT UP TO A STANDARD NOT DOWN TO A PRICE, (STURDY)

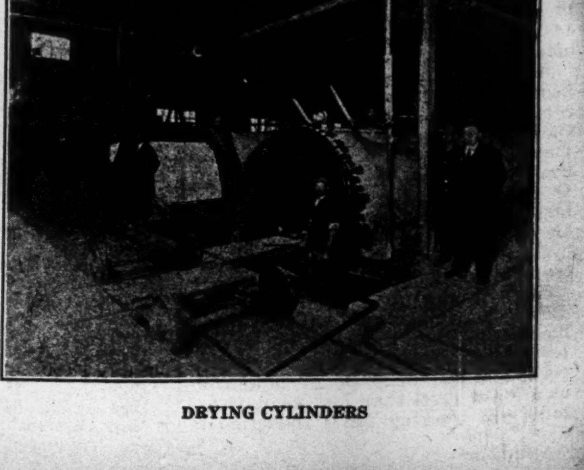
THE BRICK THAT PASSED ALL TESTS
Not only made in Canada, but a Canadian product, produced by Canadians.

Daddy
OF THEM ALL

1501-2-3 Metropolitan Bldg., Toronto, Ont.
Windsor plant to be opened in the near future.



PRESSES AT WORK



DRYING CYLINDERS

National Steel Car

Business Affected by Fact That Railroads Have Not Been Buying Equipment But Some Indication of Better Times Ahead

There has been little or no improvement in the situation affecting the equipment companies during the past year, according to Robert J. Magor, chairman and president of the National Steel Car Corporation, and this state of affairs has been reflected in the company's operations. There was no purchasing of equipment in Canada by the railroads to amount to anything during 1925, but the industry has some reason to look for better things ahead on the ground that the railroads, having curtailed their requirements for some years, will, sooner or later, have to increase their purchases in order to maintain efficient facilities.

The National Steel Car Corporation, Ltd., was incorporated in 1919 to succeed the National Steel Car Company, Ltd. The latter company was incorporated in 1912 and commenced operations towards the end of 1913 and from that date the plant has been more or less in continuous operation, producing freight and passenger railroad equipment, special patented dump car equipment and also manufacturing, in five different capacities, the well known "National" motor truck.

In December, 1919, Robert J. Magor, of Montreal and New York, and Donald Symington, purchased control of the company. In order to expand operations in manufacturing railroad equipment and motor trucks the present company was formed with 100,000 shares of stock of no par value, with which they took over the old National Co. as a going concern and paid $1,250,000 for the majority of the stock of the new company, the balance of the 100,000 shares being given to the old National Company's stockholders in exchange for their stock, plus one-half the proceeds of an old war claim against the French Government and the Paris, Lyons and Mediterranean Railway, the other half of this claim to be paid to the new corporation.

The company's plant located at Hamilton manufactures both steel and wooden railway freight and passenger cars, having a capacity of from 6,000 to 7,000 cars per annum.

Capitalization—

Authorized and issued:
100,000 shares. No par value.

Funded Debt—

	Authorized	Outstanding
	$3,000,000	$1,360,000

6 per cent. first mortgage bonds.

Officers and Directors—

Robert J. Magor, pres. and chairman; Sir John M. Gibson, K.C.; Donald Symington, vice-pres.; Henry H. Pierce; D. B. Dewar; C. W. Adam, asst. sec.-treas.; Robert Gowans, A. Van Hassel.

Profit and Loss—

Year end, June 30.

	1924	1925
Net profit	$ 608,814	$ x46,336
Depreciation	95,379	67,098
	513,435	†113,434
Bond interest	99,430	84,100
Other interest	55,624	......
	358,381	†197,534
Prev. balance	2,395,937	2,396,250
	2,754,318	2,198,716
Prov. for invent.	358,068	......
Surplus	2,396,250	2,198,716

x Net loss.
† Deficit.

Four Years' Earnings:

Year	Earnings	Dividends	Surplus
1922	x$ 79,734	......	$2,513,950
1923	142,887	......	2,395,937
1924	608,814	......	2,396,250
1925	x46,336	......	2,198,716

x Loss.

Market Record—

(Unlisted)

	1923		1924		1925	
	H	L	H	L	H	L
Stock	20¼	10	14⅝	11	15	5

Foundries & Forgings

Earnings Will Show Improvement Despite Prevailing Poor Markets

The Canada Foundries and Forgings operates two plants at Welland and one at Brockville, Ontario. It also has the controlling interest in the capital stock of the Mann Axe Company at St. Stephen, N.B.

Through one of its components, the James Smart Manufacturing Company, it manufactures about 700 lines which are sold to the hardware trade; these include such things as furnaces, lawn mowers, hammers and axes. Other plants of the company make forgings ranging in size from that of a screw to the stern post of a ship.

Forgings are used whenever steel or iron must carry a strain. Naturally the railroads are large buyers from the company and purchase such products as locomotive connecting rods. The company sells to the automobile trade also, which uses forged steel for automobile parts such as crankshafts.

Of recent years, the company has experienced the same slump which affected all the steel companies in Canada; although the railroads were purchasing but little during 1925, it is understood that earnings for the past year show some improvemnt. The outlook for the current year is somewhat better than it was at the beginning of 1925. Should the general level of business improve, earnings would more than reflect anv improvement, for the company's plants have a good potential earning power.

The company uses many of its forgings in the various lines which it sells to the hardware trade.

Capitalization—

	Authorized	Outstanding
Pref. 7 % cum.	$2,000,000	$ 960,000
Com. stock	2,000,000	960,000

Funded Debt—

First mortgage sinking fund, 6 per cent. bonds, due Feb. 2, 1942; interest payable 2nd Feb. and 2nd Aug. $223,900.

Dividend Record—

Preferred 7 per cent. per annum payable 15th Feb., May, Aug. and Nov., but last dividend paid Feb. 15, 1921. Initial dividend on common of 10 per cent. paid Feb., 1916; May, 1916, 4 per cent. and bonus of 3 per cent.; from that date 3 per cent. was paid quarterly, together with bonuses of 3 per cent. up to Feb., 1917, inclusive; May, 1917, to Aug., 1920, 3 per cent. each quarter; Nov., 1920, 1 per cent.; none since.

Officers and Directors—

W. M. Weir, pres.; Hon. Geo. P. Graham, M.P., vice-pres.; H. B. Housser, Lt.-Col. C. W. MacLean, C. N. Monsarrat, W. D. Robb, W. T. Sampson, J. H. A. Briggs, sec.-treas.; Jas. Arnold, gen. mgr.; H. J. Trihey.

Profit and Loss—

	1923	1924
Net profits	$93,318	$ 42,692
Other income	36,340	10,000
Total income	129,658	52,692
Interest	31,765	29,683
Administration	26,241	30,506
Invent. reserve	47,515	......
	24,137	*7,497
Previous balance	947,912	972,048
P. and L. Surplus	972,049	964,551

* Deficit.

Eight Years' Earnings—

Year	Earnings	Dividends	Surplus
1917	$695,586	$211,200	$1,128,281
1918	612,117	182,400	1,297,706
1919	242,062	182,400	1,285,222
1920	117,475	163,200	1,204,273
1921	*3,704	5,600	930,599
1922	74,342	....	947,912
1923	129,657	....	972,048
1924	52,692	....	964,551

* Loss.

Market Record—

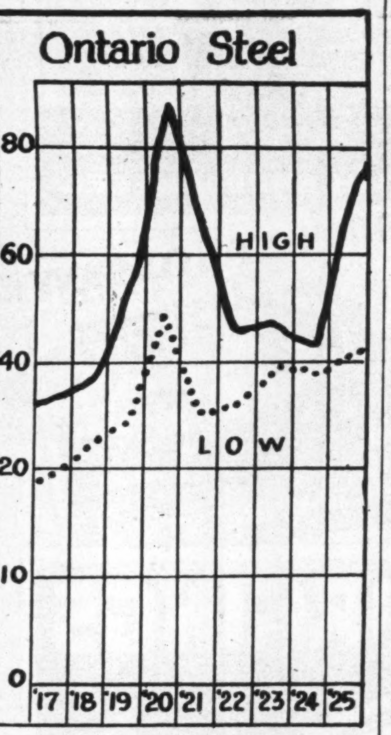
	1923		1924		1925	
	H	L	H	L	H	L
Com.	36	22	31	19⅛	35	15
Pref.	64½	43	60	44½	50	40

Ontario Steel

Conservatively Managed and Building up Further Financial Strength

The Ontario Steel Products is a company which should prove attractive to investors. Earnings last year were nearly double the dividend requirements on the common and during the first five months of the present fiscal year have continued to move upwards. The record for the quarter ending September 30 is one of the best in the history of the company.

It manufactures springs used by the automobile industry and also shovels, spades, mining tools, etc., at its three plants situated in Ottawa, Gananoque and Chatham.



Those in close touch with the company's operations feel optimistic on the outlook for the future; this, coupled with the sound policies which are being pursued by the management, makes the stock attractive.

One of the features of the company is its policy of steadily ploughing back earnings into the business. The total operating profits for the past four years amount to $731,815; of this sum $303,133 went back into the business, $113,682 went to meet bond interest whilst the remainder was disbursed to the shareholders in the form of dividends.

Capitalization—

	Authorized	Outstanding
Common	$2,000,000	$750,000
Pref. 7% cum.	750,000	750,000

Funded Debt—

Bonds 6%	600,000	421,000

First Mortgage due July, 1943, sinking fund.

Profit and Loss—

Year end, June 30—

	1924	1925
Net profits	$118,918	$157,987
Adjustment	7,424	......
	111,494	157,987
Bond interest	27,840	26,550
Bond sinking fund	20,160	21,450
Pref. dividends	52,500	52,500
Com. dividends	37,500	30,000
Balance	x26,506	27,487
Prev. surplus	442,022	415,516
Total surplus	415,516	443,003

x Deficit.

Dividend Record—

Preferred paid quarterly. Common dividends started Aug., 1920, paid 8 per cent. to Dec., 1921, when it was reduced to 4 per cent.. Passed for quarter ending March, 1922. Resumed by payment of 1 per cent. for August, 1923, and quarterly since. An extra dividend of 1 per cent. paid Aug., 1925.

Officers and Directors—

W. W. Jones, pres.; Dr. N. C. Jones, J. T. Richardson, W. T. Sampson, vice-pres. and gen. mgr.; Dr. C. H. Bird, D. F. Jones, K. Molson, F. P. Jones, H. M. Jaquays, F. Petch, sec.-treas.

Eight Years' Earnings—

Year	Earnings	Dividends	Surplus
1918	$208,107	$ 61,875	$281,729
1919	198,770	73,125	359,374
1920	315,900	67,500	528,409
1921	x193,446	112,500	564,087
1922	x 81,282	90,000	413,101
1923	x129,422	52,500	442,022
1924	x118,918	90,000	415,516
1925	x157,987	82,500	443,003

x Less depreciation.

Market Record—

	1923		1924		1925	
	H	L	H	L	H	L
Com.	47	39¾	45½	39	75¼	41
Pref.	90¼	83	93	86	102	91½
Bonds	..	..	99	97½	..	..

Dominion Foundries

Progress Being Made in Readjustment From Wartime Conditions

Dominion Foundries & Steel, Ltd., like a number of the Canadian steel industries which prospered during the war period, suffered a depression after 1920 and has since been making progress in adjusting itself to prevailing conditions. The company was incorporated in 1917 as a consolidation of Dominion Steel Foundry Co., Ltd., incorporated in 1913, and its subsidiary, the Hamilton Steel Wheel Co., Ltd., incorporated in 1916. The company manufacturers all kinds of steel forgings and castings.

The company was authorized to issue $5,000,000 of common stock and $1,000,000 of 8 per cent. cumulative preferred—outstanding $2,998,100 of common and $719,900 of preferred. The entire preferred stock was issued in exchange, share for share, for a similar amount of 7 per cent., cumulative preferred of the Dominion Steel Foundry Co., previously outstanding; and the entire common stock was issued to common stockholders of the two constituent companies in exchange for their holdings as follows: $2,500,000 to common stockholders of Dominion Steel Foundry Co., being at the rate of 2½ shares of common stock of present company for each common share of Dominion Steel Foundry, and $500,000 to stockholders of Hamilton Steel Wheel Co., being at the rate of one share of common stock of presnt company for each four shares of stock of $25 par value of the Hamilton Wheel Co.

Capitalization—

	Authorized	Outstanding
Common	$5,000,000	$2,998,100
Preferred 8 per cent. cumulative	1,000,000	719,900

Dividend Record—

Last preferred dividend paid June, 1921. Common paid 18 per cent. in 1918, 15 per cent. 1919, 4 per cent. 1920. 1921 gave script dividend one share Adirondack Steel Com. for every 5 D. F. & S.

Officers and Directors—

C. W. Sherman, Hamilton, pres.; W. J. Verity, vice-pres., Brantford; F. A. Sherman, A. G. Wright, sec., S. A. Crone, New York; S. Burrows, Belleville; J. Ruddy, G. H. Gordon, G. H. Levy.

Profit and Loss—	1923	1924
Profits	$203,798	$113,722
Interest	53,505	47,216
Depreciation	140,000	63,000
Bond expense	4,113	2,000
Income tax	1,000	......
Balance	5,180	1,506
Prev. balance	434,750	489,930
	489,930	491,436

Six Years' Earnings—

Year	Earnings	Dividends	Surplus
1919	$654,000	$ 57,600	$596,400
1920	204,369	177,042	701,488
1921	*76,775	29,172	570,140
1922	*2,154	....	484,750
1923	203,798	....	489,929
1924	113,722	....	491,436

* Loss in operations.

Market Record—

	1923		1924		1925	
	H	L	H	L	H	L
Com.	13	7	11	7⅛	..	..
Pref.	..	..	43	36⅞	..	..

Page-Hersey Tubes

Manufactures Iron and Steel for Domestic and Export Markets

Page-Hersey Tubes Ltd., was incorporated in 1920, as successor to Page-Hersey Iron, Tube and Lead Company Ltd. The company is engaged in the manufacture of black and galvanized wrought iron and steel pipe, oil and gas casings, etc., and has an extensive business throughout Canada and abroad. The company has been affected by the same adverse business conditions as have most other Canadian industries, but has succeeded in carrying on a continuously profitable business. Its products are in demand, for the most part, during periods of depression as at other times, and the company which is well managed is less subject to the pressure of European competition than are some of the producers of related lines.

Capitalization—

	Authorized	Outstanding
Com.	60,000 shs.	27,560 shs.
Pref. 7%	$4,000,000	$2,800,000

No funded debt.

Dividend Record—

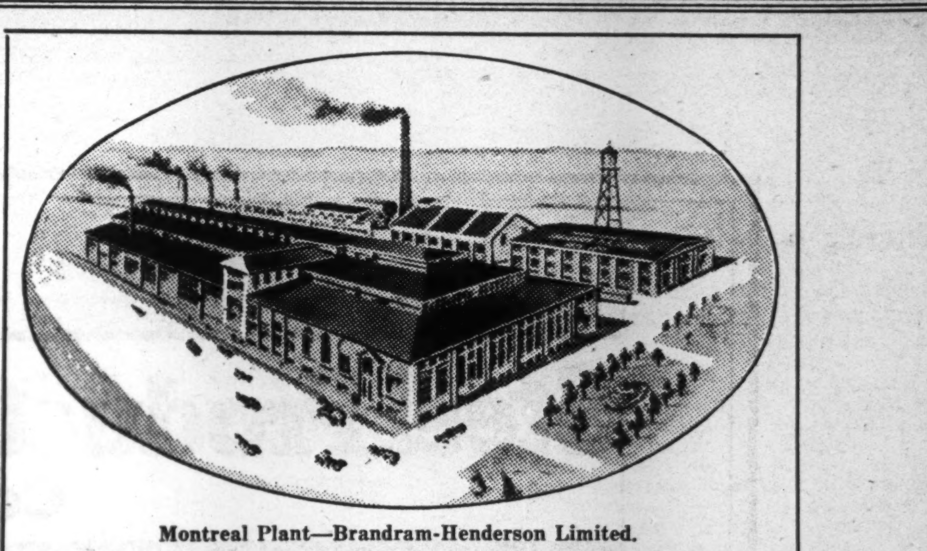
On preferred at rate of 7 per cent. per annum paid in full to date. On common at rate of $5 per share per annum paid to Dec., 1922; on April 1, 1923, increased to 6 per cent., and on July 2, to 7 per cent. Bonus of $1.50 per share was added Apr. 1, Oct. 1, $1 per share; Apr., 1925, $1.25 extra. In 1924 and 1925, $1.75 was paid quarterly.

Officers and Directors—

W. W. Near, pres. and man. dir.; D. H. Friedman, vice-pres.; David Muhlfelder, C. L. Dunbar, H. C. Schofield, vice-pres.; A. W. Holmested, Sir. H. M. Pellatt, Harry Rooke, sec.-treas. W. P. Bayley, asst. sec.-treas.

Market Record—

1922		1923		1924	
H	L	H	L	H	L
90	76	90	75	77	55



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An Outstanding Canadian Industry
—meeting every painting need

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BRANDRAM-HENDERSON Limited manufactures a complete range of paints and varnishes for industrial and household use.

Outstanding among these is Brandram's Genuine B. B. White Lead, corroded in a modern plant to the famous Brandram formula, developed in 1729. Brandram's Genuine B. B. White Lead assures maximum durability and has been the World's Standard White Lead for nearly 200 years.

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B-H Architectural Varnishes
B-H Permalak Brushing and Spraying Lacquers
B-H Immacula Enamel
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B-H Fresconette (a flat oil finish)
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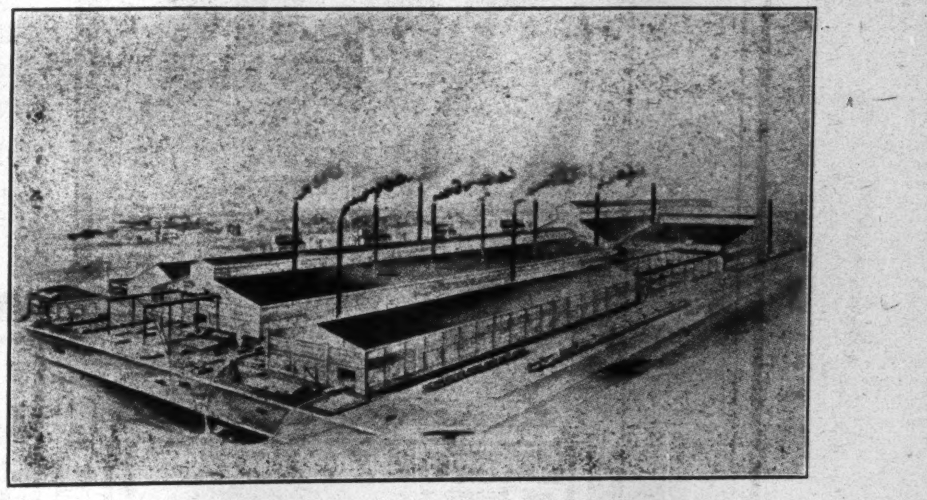

CANADA FORGE PLANT, WELLAND, ONT.

FORGING CRAFTSMEN

ENDURANCE BRAND
CRUSHER BALLS AND LINER PLATES

MAKERS *of* ALL TYPES AND SIZES
INDUSTRIAL—MARINE—RAILWAY FORGINGS

CANADA FOUNDRIES AND FORGINGS, LIMITED
CANADA FORGE PLANT
WELLAND, ONT.
DROP FORGE PLANT
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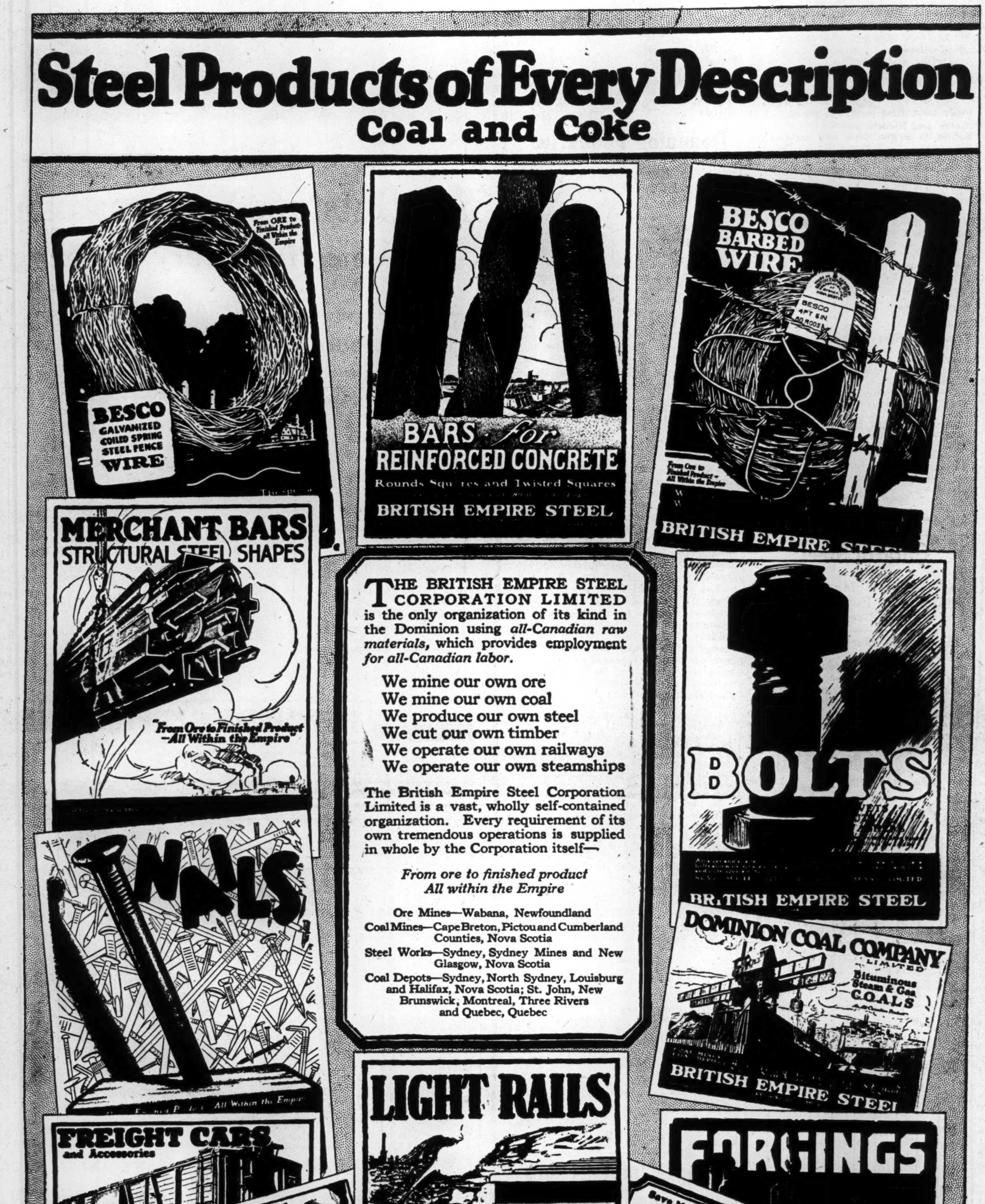

Steel Products of Every Description

Coal and Coke

From ORE to Finished Product—all Within the Empire
BESCO
GALVANIZED
COILED SPRING
STEEL FENCE
WIRE
BARS for
REINFORCED CONCRETE
Rounds Squares and Twisted Squares
BRITISH EMPIRE STEEL
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4PT 6IN
80 RODS
From Ore to Finished Product—All Within the Empire
BRITISH EMPIRE STEEL
MERCHANT BARS
STRUCTURAL STEEL SHAPES
From Ore to Finished Product—All Within the Empire

THE BRITISH EMPIRE STEEL CORPORATION LIMITED is the only organization of its kind in the Dominion using *all-Canadian raw materials,* which provides employment *for all-Canadian labor.*

We mine our own ore
We mine our own coal
We produce our own steel
We cut our own timber
We operate our own railways
We operate our own steamships

The British Empire Steel Corporation Limited is a vast, wholly self-contained organization. Every requirement of its own tremendous operations is supplied in whole by the Corporation itself—

From ore to finished product
All within the Empire

Ore Mines—Wabana, Newfoundland
Coal Mines—Cape Breton, Pictou and Cumberland Counties, Nova Scotia
Steel Works—Sydney, Sydney Mines and New Glasgow, Nova Scotia
Coal Depots—Sydney, North Sydney, Louisburg and Halifax, Nova Scotia; St. John, New Brunswick, Montreal, Three Rivers and Quebec, Quebec

BOLTS
BRITISH EMPIRE STEEL
NAILS
All Within the Empire
DOMINION COAL COMPANY
LIMITED
Bituminous
Steam & Gas
COALS
BRITISH EMPIRE STEEL
FREIGHT CARS
and Accessories
BUNKER COAL
BRITISH EMPIRE STEEL
BRITISH EMPIRE STEEL
CORPORATION LIMITED
LIGHT RAILS
From Ore to Finished Product
—All Within the Empire
BRITISH EMPIRE STEEL
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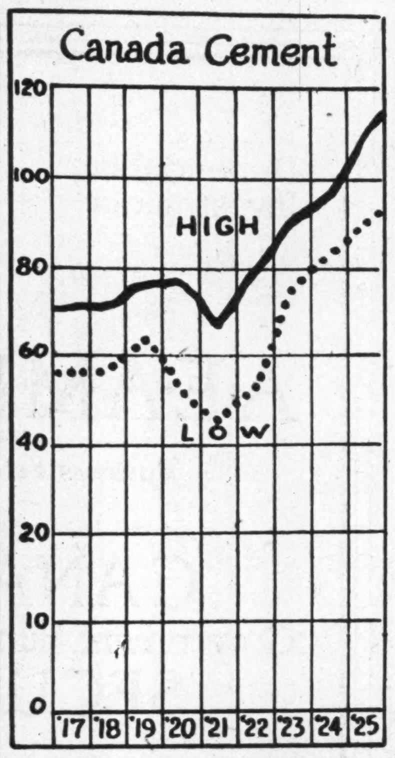
Save Money—Burn
BESCO
Household
COKE
More heat, ton-for-ton, than Hard Coal—Burns clean without Smoke, Dust, Dirt or Soot
Uptown 4620
EMPIRE STEEL
From ore to finished product—
All within the Empire
BRITISH EMPIRE STEEL
CORPORATION LIMITED

BRITISH EMPIRE STEEL
CORPORATION LIMITED
CANADA CEMENT BUILDING MONTREAL, CANADA

From Ore to Finished Product ~ All within the Empire

Canada Cement

Company's Stock a Seasoned Investment—Management Has Built up Strong Financial Position—Outlook is Excellent for Future Growth



MONTREAL.—The Canada Cement Company's stock long ago reached a position where it was regarded as a sound investment. By the accumulation of surplus earnings which have yearly been ploughed back into the property, all the "water" in the original merger has been squeezed out. Consequently, the company's earnings have not been as spectacular as have occasionally been imagined, for it has always been the management's policy to build for the future and to weave strength into the financial position. One of the results of this is seen in the high annual allowance for depreciation. Another result is observed in the property account which stood at the end of the year 1924 at $24,661.993 as compared with almost $30.000,000 in 1918 and a still further reduction can be anticipated when the statement for 1925 makes its appearance.

Side by side with the heavy depreciation allowances, the growth in the company's investments is impressive. Total investments in 1918 were $1,348,837 and totalled $7,242,024 at the end of 1924. It is understood that practically all of this total is composed of high grade securities of a liquid character. Some three years ago, "Cement" reduced its liquid position to some extent by the erection of an office building in the city of Montreal; this investment, though, has come up to the expectations of the management; it has excellent earnings.

During the past ten years the average earnings on the common stock have been 7.3 per cent. During that time an average of 5.55 per cent. has been paid in dividends leaving an average surplus each year of 1.75 per cent., or a total in the ten years of 17.5 per cent. In the three years immediately following the war, a slump in activities in Canada cut down the earnings. However, there has since ben a marked improvement, and a considerable surplus over dividend requirements has been earned. Between 1918 and 1924 bonded indebtedness of the company was reduced by $1,634,400. Cement is constantly being put to new uses in connection with construction, there is also a normal increase in the consumption of cement and the many new industrial projects in this country indicate that the company will obtain more than sufficient business to enable it to earn its dividend requirements wtih ease. Naturally, competition may start up from time to time, but new operators will be handicapped by reason of the fact that in most instances they will have to obtain business which Canada Cement formerly obtained and, in any event, the growth of the country should enable the Canada Cement Company to still continue its growth, whether there be competition or not. The company is also building up a nice export business.

There is little immediate prospect for higher dividends on Canada Cement shares. The company has $5.204,646 of bonds outstanding which mature in 1929 but, according to the last annual statement, the company has investments of $7,242,023, so it is virtually assured that the bonds will be paid off when due without any new bond issues, the preferred stock will then be a first charge against this company's entire plants and equipment. The revenue that this company will receive during the next few years from investments and other sources is expected to be sufficient to pay the preferred dividends, thus leaving the earnings derived from the cement business all for the common shares.

Sixty per cent. of the employees of Canada Cement are shareholders of the company and few stocks enjoy such wide distribution.

Reviewing conditions during 1925 Frank P. Jones, the president of the company, says that the total consumption of cement in Canada was 3 per cent. less than it was in 1924 and not more than 80 per cent. of the prewar record. Export business, however, shows a very gratifying increase enabling the mills to operate approximately 50 per cent. of their capacity. There is no question but that Canada's purchasing power in 1926 will be considerably greater than it has been for some years and Mr. Jones looks for an increased demand for cement.

Capitalization—

	Authorized	Outstanding
Common	$19,000,000	$13,500,000
Preferred	11,000,000	10,500,000

7% cumulative.

Funded Debt—

First mortgage, 6% gold bonds, due 1929, outstanding $5,204,646.

Dividend Record—

Preferred dividends paid regularly since Jan. 1, 1910; payments quarterly, Feb., Mar., Aug., and Nov. 16. Initial dividend of 3% on common stock paid Feb. 16, 1916; Sept. 16, 1916, 3%; Jan. 16, 1917, to date, 1½% each quarter, Jan., Apr., July and Oct. 16.

Officers and Directors—

F. P. Jones, pres. and gen. man.; A. C. Tagge, vice-pres.; H. J. Fuller, vice-pres.; H. L. Doble, controller and sec-treas.; M. A. Hoey, pur. agent; G. C. Edwards, R. E. Webster, R. W. Kelley, E. M. Young, D. M. Butchart, T. A. Russell, G. W. Allan, C. C. Ballantyne, Farquhar Robertson, Hon. J. P. Casgrain, Hon. J. L. Perron, Angus McLean.

Profit and Loss—

	1924	1925
*Income	$2,205,590	$3,344,006
Bond int.	326,190	307,459
Balance	$1,879,400	$2,036,547
Fire ins. sur.	....	150,570
Balance	$1,879,400	$1,885,977
Cont. res.	210,000	200,000
Balance	$1,669,400	$1,685,977
Extra res.	40,000	40,000
Balance	$1,629,400	$1,645,977
Indi. acc. res.	23,500	11,000
Net profit	$1,605,900	$1,634,977
Pfd. divs.	735,000	735,000
Balance	$ 870,900	$ 899,977
Com. divs.	810,000	810,000
Surplus	$ 60,899	$ 89,977
Prev. surplus	705,550	1,266,450
Total	$ 766,449	$1,356,427
From F.I.S.	500,000	....
P. & L. bal.	$1,266,450	$1,356,427

*Provision for depreciation for 1925 amounted to $1,543.233.

Provision for depreciation for 1924 amounted to $1,550,366.

Nine Years' Earnings—

Year	Earnings	Dividends	Surplus
1917	*$2,861,246	$1,545,000	$2,576,999
1918	*2,215,708	1,545,000	2,677,643
1919	3,057,553	1,545,000	1,424,857
1920	2,362,742	1,545,000	898,970
1921	2,636,460	1,545,000	614,000
1922	*2,403,101	1,545,000	653,158
1923	*2,235,439	1,545,000	705,550
1924	*2,205,590	1,545,000	1,266,450
1925	*2,344,006	1,545,000	1,356,427

*After allowing for depreciation.

Market Record—

	1923 H	1923 L	1924 H	1924 L	1925 H	1925 L
Cm.	88½	77	93⅛	83	114	90½
Pf.	105½	100	108	102½	117½	107
Bds	103½	100	103½	100	103¼	100

National Cement

Has Entered Production—Output to be Increased With Next Three Months

The National Cement Company turned out its first barrel of cement at the beginning of January. For the two preceding months, the company was occupied in putting the finishing touches to its machinery, blending silos and kilns, and in building up a reserve store of crushed and blended lime-stone. The company has a rated capacity of 900,000 barrels a year. This output comes from three kilns, with an output of 1,000 barrels each a day. It is possible that the rated capacity of the plant may be exceeded.

Of the three kilns, but one has begun operating; the other two will be put to work, one in February and one in March or April.

The plant has been so designed and laid out that with an expenditure amounting to about 25 per cent. of the cost of the present mill, its capacity can be doubled. Much of the machinery in the early stages of manufacture has been designed with this end in view.

The company's plant is situated at Montreal East. P. Q., and comprises an area of 102 acres, underlying which are reserves of stone sufficient to last at least 90 years.

Although it has just entered production, the company has orders on its books for over 100,000 barrels of cement for delivery in March and April.

Capitalization—

	Authorized	Outstanding
Common	$2,500,000	$2,500,000
Preferred	1,500,000	976,500

8% cumulative.

Funded Debt—

First serial 7% gold bonds, due $50,000 annually May 1, 1927, to 1929, inclusive; $100,000 annually May 1, 1930, to 1937, inclusive, and $550,000 May 1, 1938; outstanding $1,490,000.

Officers and Directors—

Jos. Versailles, pres.; E. C. Vidricaire, vice-pres.; Lucien Hamel, sec. and treas.; R. K. Meade, mgr. dir.; J. A. P. Descarries, supt.; L. Hurtubise, J. P. Callaghan, E. A. Ouimet, Luc. Rochefort, M. L. Sylvia, Jos. Bolduc, A. J. B. Cartier, Ed. Cote, J. Ed. Newton, A. S. Phillips.

National Brick

Keen Competition in 1925 Said to Have Materially Affected Earnings

The preferred shares of the National Brick Company have recently experienced a sudden drop. It has been the company's policy only to give out information about the business at the annual meeting, so that it is impossible to obtain any official news of the cause of the lowered prices at which the shares have been changing hands, but it is generally thought that the stock market is reflecting the fact that 1925 results were not up to the more optomistic expectations which were expressed at the annual general meeting last spring. It is said that price-cutting was a factor which reduced earnings during 1925.

The company operates four plants all situated in the province of Quebec. The capacity of these plants amounts to about 485,000 bricks per day and 100 tons of hollow building tiles per day. One plant is devoted exclusively to the manufacture of the latter. The plants are advantageously situated with regard to the supply of raw material and operate with electric power under favorable long term contracts.

The number of persons employed varies from around 385 to 500, according to the season. Many of these employees are housed in the cottages which the company owns at Laprairie and Delson, P.Q.

Capitalization—

	Authorized	Outstanding
Common	$2,000,000	$2,000,000
Preferred	3,500,000	3,339,600

7% cumulative.

Funded Debt—

None.

Dividend Record—

Initial quarterly dividend of 1% on preferred, paid Aug., 1924; Nov., 1924, 1%; Feb., 1925, 1%; May 15, 1¾%. As for May, 1925, accumulated dividends on preferred amounted to 24%. On common, initial quarterly dividend of 1¼%, paid March, 1913, and quarterly thereafter to June, 1914, inclusive; none since.

Officers and Directors—

C. C. Ballantyne, pres.; Paul Galibert, vice-pres.; A. T. Alexander, sec.-treas.; H. Traylen, asst. sec.; L. W. McArthur, gen. supt.; C. G. Greenshields, W. E. Muir, A. A. Ayer, A. Joyce, H. R. Trenholme.

Profit and Loss—

Year end: Feb. 28,	1924	1925
Oper. profit	$225,784	$254,323
Res. bad debts	....	1,311
	$225,784	$253,012
Res. for renew. ..	50,000	50,000
Prov. inc. tax ...	18,247	21,106
Net profits	$157,537	$181,905
Pref. dividends	......	100,188
	$157,537	$ 81,717
Surplus	† 714,537	
Total	$875,339	$ 81,717
Prev. bal.	* 640,375	231,963
P. & L. bal.	$231,963	$313,681

*Deficit.
†Through appraisal.

Eureka Pressed Brick

The Eureka Pressed Brick Corporation was incorporated by letters of patent dated October 1, 1925, under the Ontario Companies Act to carry on a general business as brick manufacturers and dealers in builders' supplies. The authorized capital of the company is $600,000. The product of the new company is sold to the building trade throughout the province of Ontario. Estimated earnings are approximately $624,000 per year, while the estimated costs are $411,175 allowing for net profit of $212,825.

Capitalization—

Authorized $600,000

Officers and Directors—

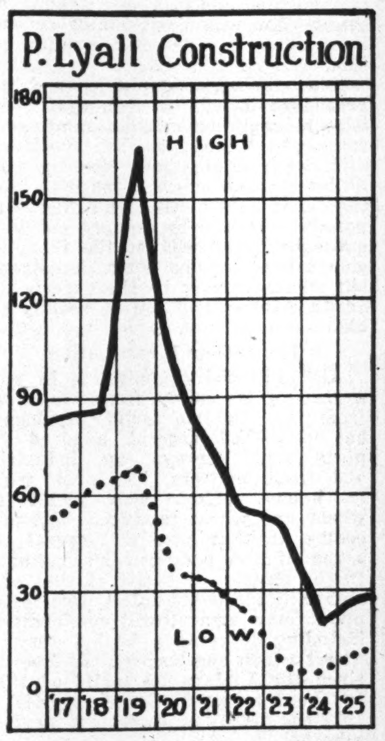
Loyal S. Bussey, pres.; H. G. Williams, C. R. Orean, C. Williams, Geo. Bontecou, consult. engineer.

P. Lyall and Sons

Outlook Shows Little Change—Company Has Two Years' Work on Welland Canal Ahead

The P. Lyall & Sons Construction Co., is at present engaged in building the new Welland Canal. This means that the company has two years of steady work in front of it without taking into consideration other contracts which may be undertaken. It is understood that there are certain contracts pending at the present time.

The company recently completed its work on the dry docks at Esquimalt, B.C., and has practically finished its work on the Parliament Buildings at Ottawa. At the present time the Pacific Construction Co. has entered suit against P. Lyall & Sons Construction, claiming damages amounting to $247,461. This suit arises out of work on the dry dock which Lyall & Sons were awarded in 1921.



Capitalization—

	Authorized	Outstanding
Common	$1,750,000	$1,750,000
Preferred	1,500,000	1,300,000

7% cumulative.

Funded Debt—

First mortgage, 6 per cent. bonds, due 1923, authorized $1,250,000, outstanding $616,900.

Dividend Record—

Preferred 7% per annum, payable Feb. and Aug. Common reduced from 8% to 4% per annum for quarter ending Dec. 31, 1921. Passed for quarter ended March 31, 1922, and since.

Officers and Directors—

William Lyall, pres. and man. dir.; T. O. Lyall, vice-pres. and treas.; Hugh Mackay, K.C.; H. W. Beauclerk, J. W. Pyke, Jas. Ballantyne, C. R. Redfern, Robt. Whyte, sec.

Profit and Loss—

Year end. March 31:	1924	1925
Earnings	$210,698	$260,121
Bond interest	43,260	40,574
Sinking fund	67,200	71,200
	$110,460	$111,774
Bal. for dividends	$100,238	$148,347
Pref. dividends ...	91,000	91,000
Surplus for year .	$ 9,238	$ 57,347
Earning rate:		
% on common	0.52	3.27
% on preferred......	7.71	11.41

Eight Year Earnings—

1917-18	$1,491,082	$ 161,000	$ 365,852
1918-19	1,314,582	231,000	402,001
1919-20	377,734	231,000	438,071
1920-21	375,265	231,000	472,099
1921-22	240,738	213,500	389,219
1922-23	161,097	91,000	349,331
1923,24	210,698	91,000	358,569
1924-25	260,121	91,000	415,916

Market Record—

	1923 H	1923 L	1924 H	1924 L	1925 H	1925 L
Com	48	10	31	9	29	11
Bonds	97	87	90	87⅝	93½	93

Anglin-Norcross

Investment Interest Largely Centred on Small Issue of Preferred Stock

Anglin-Norcross is the outcome of an amalgamation between Anglin's Limited and the Canadian assets of Norcross Brothers Company. The latter organization is one of the larger construction companies in the United States.

Anglin-Norcross is among the few Canadian contracting companies which is equipped to handle "big jobs." Public investment interest in the company centres on its issue of preferred stock of which there is $312,000 only outstanding. Interest on the preferred stock is a first charge on earnings as there are no bonds outstanding.

The company has handled the construction of many of the larger erections in this country and with the prospect of a considerable number of jobs offering during the coming year, Anglin-Norcross will close a satisfactory number of contracts. Business with the company at the present time is understood to be good.

The company has secured a very important contract in connection with the Chateau Frontenac, at Quebec.

Capitalization—

	Authorized	Outstanding
Common	$1,000,000	$1,000,000
Preferred	1,000,000	312,000

7% cumulative.

Dividend Record—

Dividends on preferred regularly paid semi-annually, about April and Oct. 15. No dividends on common.

Officers and Directors—

J. P. Anglin, pres.; H. J. Gross, vice-pres. and treas.; C. D. Harrington, vice-pres. and manager; G. A. Lowles, sec.; L. L. Evans, pur. agent; W. S. Leslie, A. O. Dawson, G. W. Birks, G. H. Wilson.

Profit and Loss—

Year ending Feb. 28—	1924	1925
Gross profits	$141,559	$162,355
Oper. exp. & deprec.	86,973	97,905
Net earnings	$ 54,586	$ 64,450
Est. income tax ..	6,071	7,395
Bal. for dividends	$ 48,515	$ 57,055
Pref. dividends ...	21,840	21,840
Surplus for year .	$ 26,675	$ 35,215
Earning rate:		
% on common ...	2.66	3.52
% on preferred ..	15.55	18.29

Foundation Company

Obtained Good Contracts in 1925—Outlook For Current Year Excellent

Towards the end of 1924, the Foundation Company was formed to take over the Canadian interests of the Foundation Company of New York. The present and predecessor company have been in successful operation during the past fifteen years, engaged entirely in engineering and construction work. The company builds terminals, bridges, industrial plants, mine shafts and tunnels and specializes in hydro electric developments and all types of foundation and obtains certain benefits through its close association with the American company and the British company bearing the same name.

Amongst its other work during the past year, the company completed the additions to the plants of the St. Lawrence Paper Mills, the Wayagamack Pulp and Paper Company, and the Southern Canada Power Company. It constructed also the new mill of Courtaulds Limited, at Cornwall, Ontario. Some of the work in hand at the present time includes another Southern Canada Power plant, the Montreal General Hospital and the T. Eaton Company of Montreal.

There is no doubt that 1925 was a good year for the company and as there is a considerable volume of business offering at the present time the outlook for 1926 is excellent.

Capitalization—

	Authorized	Outstanding
Common	200,000	$200,000
Preferred 1st ...	400,000	400,000
Preferred 2nd ...	250,000	250,000

Par of common, $25; par of preferred, $100.

All of second pref. and $181,250 common are owned by the Foundation Co. of New York.

Officers and Directors—

John W. Doty, pres.; V. M. Drury, vice-pres.; R. E. Chadwick, vice-pres. and gen. mgr.; A. J. Brown, Franklin Remington, E. R. Decary, W. F. Angus, Frank Quilter, C. B. McNaugh, N. A. Timmons, F. H. Phippen.

Milton Brick

Milton Brick, Ltd., was incorporated in 1895 and in 1916 acquired the plant of the Toronto Pressed Brick & Terra Cotta Company at Milton, and the Medina Shale Brick Company, located at Streetsville. The company owns and operates three plants, two at Milton and one at Streetsville. It has a daily capacity of 250,000 bricks. The properties also include 500 acres of Medina shale deposits.

Top Centre:
Canada Cement Company Building, Montreal.

Lower Left:
Chateau Apartments, Montreal.

Lower right:
Northern Ontario Building, Toronto.

CANADA CEMENT
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FOR PERMANENCE

CONCRETE CONSTRUCTION
Means Economy and Permanence

CONCRETE gains greater recognition every day as the logical construction material to use when economy, fire-safety and permanence are sought. It plays an increasingly important part in each successive year's building programme. Two outstanding jobs in 1925 were the Chateau Apartments, Montreal, and the sixteen storey Northern Ontario Building, Toronto, both built of reinforced concrete throughout and typical of the architectural beauty that may readily be attained with this modern material. Architects and engineers throughout Canada approve and advocate concrete. They know its possibilities.

Canada Cement Company Limited
Canada Cement Company Building
Phillips Square MONTREAL
Sales Offices at: **Montreal Toronto Winnipeg Calgary**

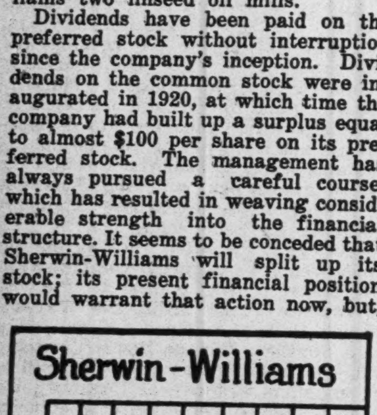
Sherwin-Williams

A Major Factor in the Surfacing Industry—Stock Split Must Come Eventually if Present Progress is Continued

The Sherwin-Williams Company is a dominant factor in the paint industry in Canada. The company's brands are widely and favorably known throughout the Dominion, and, due to the size of the organization, it has been able to effect economies which place it in a favorable position with regard to competition.

The company manufactures and sells all its own products and practically all its purchases are confined to raw materials. One example of this is linseed oil which is not purchased, but is made in Sherwin-Williams two linseed oil mills.

Dividends have been paid on the preferred stock without interruption since the company's inception. Dividends on the common stock were inaugurated in 1920, at which time the company had built up a surplus equal to almost $100 per share on its preferred stock. The management has always pursued a careful course, which has resulted in weaving considerable strength into the financial structure. It seems to be conceded that Sherwin-Williams will split up its stock; its present financial position would warrant that action now, but, on the other hand, the management's policy has always been a conservative one, and it may be some time yet before the company "cut a melon."



A considerable amount of attention recently has been focused on the new pyroxylin lacquers which have made such strides in the surfacing industry. Sherwin-Williams stands to benefit through the growing use of these lacquers, for the company has been producing them for some time.

The company has several subsidiaries. It owns all the stock in the Canada Paint Company, the International Varnish Company, and the Martin-Senour Company. It owns also the majority of the stock of the Carter White Lead Company, and has a substantial interest in Lewis Berger and Sons, paint manufacturers in England.

The company's activities are widespread, as is seen in the following list showing Sherwin-Williams' various factories and plants:

Nine paint and varnish manufacturing plants.
Twelve warehouses, situated in the principal cities in Canada.
Two linseed oil mills.
Dry color works.
Insecticide manufacturing plant.
Pyroxylin lacquer plant.
Complete printing plant.
Tin can factory.
Box factory.
Cooperage plant.
Oxide mine, St. Malo, Que.
Power plant, Montreal.
Lead corroding plant.

Capitalization—

	Authorized	Outstanding
Pref. 7% cum.	$4,000,000	$3,435,000
Com. stock ...	4,000,000	4,000,000

Funded Debt—

First and refunding mortgage 6% bonds, due July 1, 1941, redeemable at 1110, $1,571,400; Canada Paint Co., 5% bonds, due 1939, $340,667 outstanding.

Officers and Directors—

W. H. Cottingham, pres.; W. S. Fallis, vice-pres. and mgr. dir.; Geo. A. Martin, W. J. White, K.C.; Robert C. Mission, W. S. Cottingham, W. C. Cottingham, D. A. Whittaker, sec-treas.; P. W. Hollingworth, asst. sec--treas.

Profit and Loss—

	1924	1925
Earnings	$ 968,115	$ 907,239
Depreciation ..	202,603	133,850
Balance	765,512	773,389
Bond int. 4	122,570	119,997
Balance	642,942	653,392
To tax acct. ..	63,579	54,193
Balance	579,363	599,199
Pfd. divs.	239,750	240,275
Balance	339,613	358,924
Pension fund .	10,575	7,197
Net earn.	329,038	351,727
Com. divs.	240,000	240,000
Balance	89,038	111,727
Prev. surp. ...	3,919,001	4,008,036
Balance	4,008,039	4,119,763
Spec. deprec.	....	200,000
P. & L. bal ...	4,008,039	3,919,763
Earning rate:		
% on common	8.22	8.80
% on preferred ...	16.58	17.23

Dividend Record—

Preferred 7%, payable regularly 1st January, April, July and October. Common 6%, payable same dates as preferred. First common dividend paid January 1, 1921.

Eight Year Earnings—

Year	Earnings	Dividends	Surplus
1918	$1,612,951	$232,505	$2,333,282
1919	990,070	239,750	2,684,051
1920	1,281,338	239,750	3,417,961
1921	255,021	419,750	3,420,150
1922	952,634	479,750	3,628,323
1923	1,073,607	479,750	3,919,001
1924	968,115	479,750	4,008,039
1925	907,239	480,275	3,919,763

Market Record—

	1923		1924		1925	
	H	L	H	L	H	L
Com. .	123	90	129	100	135	115
Pref. .	103¼	98	106½	98⅛	115	104¾
Bonds	102½	99	103	101	104	101¼

Brandram-Henderson

One of the Larger Paint Manufacturers — Earnings in 1925 Show Improvement

Brandram-Henderson, although not actually the largest manufacturer of paint in Canada, yet is one of the predominant paint manufacturers in the Dominion. Its earnings reflect accurately the general business level of domestic trade; due to the lower demand for paint in 1924, earnings fell off; this resulted in the passing of the common dividend at the beginning of 1925.

Brandram-Henderson was incorporated in 1906 and took over the business of Henderson and Potts, which had been in successful operation since 1875; it acquired also the Canadian business of Brandram Brothers, of London, England, manufacturers of white lead. Since its incorporation, the company has broadened its scope considerably by acquiring other companies, such as that of Pinchin, Johnson & Company, paint manufacturers of Toronto, in 1915. Later the business and plant of the Alberta Linseed Oil Mills, of Medicine Hat, was purchased, and also the Pacific White Lead Company. The two latter are now operated as subsidiary companies.

At practically every large centre throughout the Dominion there are situated Brandram-Henderson plants or warehouses. At Montreal, there is a lead corroding plant, having an annual capacity of upwards of 5,000 tons of basic white lead carbonate. There is another plant also at Montreal equipped for the production of all classes of paint products and a chemical dry color works, with a large production of pigments used in paint, printing and allied trades. The company has also undertaken the manufacture of the new nitrocellulose lacquers; from one of its Montreal plants the company is now producing this type of surfacing under the trade name of B-H "Permalak."

The plant at Halifax, N. S., has a wide variety of production, including varnishes and japans, paint products of all classes, and iron and tin can containers. The Toronto plant produces paint products of all types.

The subsidiary company at Medicine Hat, has a capacity of over 250,000 bushels of flax, which produces 500,000 gallons of linseed oil; the plant has the necessary refining adjuncts. The Vancouver subsidiary has a capacity of about 750 tons of white lead, as well as manufacturing equipment for a considerable quantity of paint products. At Saint John, N. B., Winnipeg, Calgary and Edmonton, are situated branch distributing warehouses.

In addition to its large domestic business, the company has of late steadily extended its operations through export trade with the West Indies, South Africa, New Zealand, and South America.

Capitalization—

	Authorized	Outstanding
Common	$1,250,000	$1,179,900
Preferred	500,000	500,000
7% cumulative.		

Funded Debt—

First mortgage, 6% gold bonds, due 1936, outstanding $299,600.
Consolidated bonds, 6%, due 1939, $879,000.

Officers and Directors—

George Henderson, pres.; C. Archibald, vice-pres.; Hector McInnes, K.C.; H. B. Stairs, K.C.; I. C. Stewart, Thos. Cantley, H. H. Champ, G. H. Montgomery, K.C.; W. A. Black, G. MacGregor Mitchell, V. M. Drury, J. M. C. Muir, sec.-treas.

Profit and Loss—

	1923	1924
Net profits	$144,121	$101,826
Bond interest	63,461	71,299
Bond discount	.....	12,493
Depreciation	7,500	7,500
Res. for accts.	....	30,000
Tax prev. year ...	8,621	9,179
Balance	$ 64,539	*$ 28,645
Pref. dividends ...	35,000	35,000
Com. dividends ...	47,196	47,196
Surplus	*$ 17,657	*$110,841
Prev. balance	854,586	836,929
Balance forward .	$836,929	$726,088
Earning rate:		
% on common	2.50	nil
% on preferred ...	10.91	0.27

*Deficit.

Eight Year Earnings—

Year	Earnings	Dividends	Surplus
1917	$221,429	$ 64,100	$412,184
*1918	238,133	73,000	501,519
1919	299,736	73,800	639,027
1920	120,835	83,500	987,506
1921	147,742	94,005	828,360
1922	163,703	70,397	854,585
1923	144,121	82,196	836,929
1924	101,826	82,196	726,058

*For 13 months.

Dividend Record—

Preferred 7% annum, payable Jan., April, July and Oct. 1.

Initial dividend on common of 3%, paid Feb. 15, 1917; March 1, June, Sept. 3, and Nov. 30, 1918; March 1, June 1, Sept. 1, and Dec. 1, 1919, 1% each; March 1, 1920, 1¼%, which quarterly rate was maintained up to and including Dec. 1, 1921. In March, 1922, the annual dividend rate was reduced to 3%, payable 1½% May 1, and 1½% Dec. 1, 1922; 1923 and 1924, 4% each. Passed for quarter ended Jan. 31, 1925, and since.

TARIFF BOARD IN STATES IS PROMPT AND EFFECTIVE

(Continued from page 1)

are sent by this advisory board to the commission which is charged with the duty of determining whether an inquiry shall be ordered. If an investigation is needed the commission conducts hearings attended by interested parties as well as field investigations. When the information is collected a final hearing is held at which briefs may be filed and final oral arguments heard. The commission later reports its findings to the president for action.

From the very completeness of this procedure it will be seen that there is no hit-and-miss calculation of tariff rates. As far as possible, consistent with Congressional policy and the public interest, an effort is made to have the tariff as scientific and precise as possible. It will be pointed out in a subsequent article that the Commission labors under some handicaps, but whatever may be the defects the advance in method can be readily realized.

The Wheat Investigation

Although the commission, in pursuance of its many functions apart from the flexible tariff provisions, has published several hundred reports and surveys on industrial and trade matters, its most widely known effort was that on wheat and wheat products. The procedure in that case will reveal the scope of the commission's methods. In the emergency tariff of 1921 substantially increased duties were levied upon forty agricultural commodities, including 35 cents a bushel duty on wheat which had been on the free list since the Underwood tariff of 1913. In the Fordney-McCumber tariff of 1922 the duty was lowered to 30 cents a bushel.

The pronounced agricultural deflation was arousing the ire of the farmers, and on November 14, 1923, the commission ordered an investigation into American and Canadian costs of production of wheat and wheat products. The preliminary hearing was held in Washington on November 26 and on December 1 the field crews left the capital. The first farm records were obtained by December 5 and actual field work ended in Saskatchewan on January 26, 1924, with a total of 1,832 records obtained in 79 localities—889 records in 36 localities in the United States and 951 records in 43 localities in Canada.

Twenty-five experts trained in farm cost accounting and in agricultural survey work were employed for 43 working days. The area covered by the farm cost investigation was about 450,000 square miles. Final public hearings were held in the latter part of February, 1924, the commission's findings were transmitted to the president on March 4 and on March 7, Calvin Coolidge signed the proclamation raising the duty on wheat from 30 cents to 42 cents a bushel.

Such rapidity, however, is exceptional although it shows the ability of the commission to meet an acute situation quickly. In the very nature of its diverse functions there is a need for the commission to investigate and weigh thoroughly the evidence following each action. The broadest national considerations are frequently involved as well as the particular interests of the affected parties. Hundreds of applications have come before the commission but it can hardly be said that it has been stampeded into ill-considered action.

The main changes in duties as a result of the flexible tariff provisions have been increases in wheat, wheat flour, semolina, crushed or cracked wheat and similar wheat products, sodium nitrate, barium dioxide, potassium chlorate and taximeters. The duties have been lowered in the case of bran, shorts, by-product feeds and quail. The assessment of duty on diethylbarbituric acid has been changed from the foreign to the American selling price. Many cost of production studies are now going on throughout the world, and the wide range of the commodities testifies, if testimony is needed, to the complexity of calculating tariff rates.

As applied to Canada the main investigations are in logs of fir, spruce, cedar and western hemlock, fresh and frozen mackerel, halibut, swordfish and boneless fish. Under the unfair practices clause the commission has had before it a charge of unfair competition in Portland cement and a charge of dumping of Canadian logs.

There are a number of administrative problems and defects in the law as it now stands which experience may correct. There are also inherent dangers in a political instrument of this nature. Viewed in the broadest light, however, the flexible tariff provisions give a measure of tariff precision and control not hitherto attained, and it may be that, when their exact nature is better understood, something of promise may be found to meet our own Canadian tariff problems.

This is the second of a series of three articles. The next will deal with the limitations of the flexible tariff provisions and with the adaptability of the scheme to Canadian political and economic conditions.

CRONYN HEADS CANADA TRUST

LONDON.—Major Hume B. Cronyn, ex-M.P., was elected to the presidency of the Canada Trust Company at the annual meeting, succeeding T. G. Meredith, K.C., who assumes the newly created position of chairman of the board of directors. Major Cronyn is to be succeeded as general manager by Morley Aylesworth, the office of assistant general manager previously held by Mr. Aylesworth being abolished.

CLAIM WAINWRIGHT OIL BETTER GRADE THAN CALIFORNIA'S

Edmonton People Dislike Statement of Premier That Oil is Low Grade

Though Eastern Canada may not be too well posted on the hunt for oil going on in Alberta, and the successes that have been met with to date, indications are not lacking that the situation has come to be regarded as a very serious business one by many Westerners. Recently, in publishing a review on the situation, The Financial Post quoted Premier Brownlee, of Alberta, as saying, among other things, that the oil of the Wainwright field was too low grade. The premier also voiced the opinion that the real oil field in his province had yet to be found.

Those evidently interested in the Wainwright field did not like this. In one day three letters of protest reached The Post from Edmonton, all dated Jan. 28, and taking The Post to task for publishing such statements even though they came from their own premier.

Frank H. Kenwood, a broker, says: "I was surprised to read your misleading article, etc." He refers to a recent meeting at which Messrs. Davies and Ross, Federal petroleum engineers, stated that Wainwright oil is 20 degrees beaume, while California's famous oil was only 12. He thinks The Post should go to the trouble of obtaining the truth, and remarks that it seems strange that a man occupying the position as Mr. Brownlee does, should make such a statement, and it points to the fact that he is very ill-acquainted with the situation, if one can believe such men as Dr. Allan, geologist, Alberta University; Mr. Ross and Mr. Davies.

W. E. Simpson, barrister, Edmonton, says: "Premier Brownlee's statement is incorrect and misleading, and is not based on facts. The matter has been taken up with Premier Brownlee, and I believe he is getting in touch with you. The recently formed oil association is also dealing with the matter." He goes on, "I wish to protest against such unfair statements being published in your paper," and, concluding, calls the statement of the premier, as published, false.

H. W. Devitt, evidently associated with Edmonton's Winter Carnival, writes that geologists, both government and private, are certainly not of the opinion of Mr. Brownlee. The Wainwright field is recognized as one of the largest structures on the American continent, and the grade of oil which has been produced is commercial. More publicity as to the possibilities of oil production in the province of Alberta would be more to the point, etc., and "the natural resources of Canada can never be developed without the confidence of capital, and misleading articles such as I have referred to certainly do not aid in this development."

Latest production figures from Calgary show Royalite 4 maintaining a steady production, about 15,000 barrels monthly and 19,000,000 ft. of gas daily, and is selling 12,000,000 ft. Royalite No. 5 is down 2,745 ft., No. 6, 2,668 ft.; McLeod 2, 3,255 ft.; Vulcan, 3,830 ft. The latter struck the fifth oil sand at 3,770 ft., and baled 15 barrels. Big Chief, 1,700 ft.; Dalhousie 3, 3,543 ft.; Advance No. 1, 3,160 ft.; Black Diamond No. 1 building derrick; Dallas Oil, building derrick.

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Ford Company of Canada

A Story of Great Expansion From Small Beginnings Which Reflects the Growth of the Motor Industry

The Ford Motor Company of Canada was incorporated in Ontario in 1904 and re-incorporated with a Dominion charter in 1911. It has the exclusive manufacturing and selling rights on the Ford automobile, the Ford truck, and Fordson tractor throughout the British Empire with the exception of Great Britain and Ireland. Its field of activities includes Canada, New Zealand, Australia, India, British South Africa, etc. Originally, in consideration of $63,500 stock given to the Ford Motor Company of Detroit, the Detroit company agreed to extend to the Canadian company the privilege of using all the devices and improvements on the American company's car without further cost.

The capital stock, which amounted to $125,000 in 1905—half of which went to the Detroit company—has by the distribution of bonuses to shareholders been increased to $7,000,000. Shares have a present market value of about $500 representing a stock valuation of $35,000,000. The company has in twenty years distributed to shareholders, in cash and stock dividends, a total of $20,176,238; this in addition to the stock issued as dividends now having a market value around $35,000,000. In other words an original stock holding of $100 has paid about $11,000 in cash dividends and in addition stock bonuses with a market value to-day of approximately $24,000, or a total of approximately $35,000 on the original $100.

The assets of the company, as shown in the last balance sheet, total $41,419,335 of which $22,093,614 is represented by fixed assets—plant, equipment, etc.,—stock in affiliated companies $5,866,998 and cash and government bonds $6,525,615. Profits for the year ending July 31, amounted to $6,132,327. Net earnings on the paid-up capital were approximately 87.5 per cent. The year's output was 70,816 cars and 4,543 tractors.

Capitalization—

	Authorized	Outstanding
Common	$10,000,000	$7,000,000

Par value, $100.

Funded Debt—

None.

Dividend Record—

Dividends have been paid as follows: 1905, 6%; 1908, 10%; 1909, 25%; 1910, 100%; 1911, 100% and 500% in stock; 1912, 20% and 33-1/3% in stock; 1914, 10%; 1915, 110%! 1916, 600% in stock; 1917, 5%; 1918, 5%; 1919, 35%; 1920, 15%; 1921 and 1922, 30%; 1923, 15%; 1924, 10%; 1925, 20%.

Officers and Directors—

Henry Ford, pres.; Edsel B. Ford, 2nd vice-pres.; W. R. Campbell, 1st vice-pres.; Geo. E Dickert, 3rd vice-pres.; E. C. Kanzler, P. W. Grandjean, sec. and asst. treas.

Profit and Loss—

Year end. July 31:	1925	1924
*Gross profits .	$ 6,132,327	$ 3,719,188
Income tax adjust.	975	3,497
Net profits ...	$ 6,131,352	$ 3,715,691
Bal. forward ..	19,609,861	16,594,170
	$25,741,213	$20,309,861
Dividends	1,400,000	700,000
	$24,341,213	$19,609,861
Contingency res.	340,000	....
Surplus	$24,001,213	$19,609,861
Earning rate:	82.73%	53.07%

*After all expenses, including depreciation and taxes.

Market Record—

	1923		1924		1925	
	H	L	H	L	H	L
Stock	480	400	485	440	512	488

Russell Motor

All Units of the Organization Are Now on a Profitable Basis

Russell Motor Car Company, Ltd., is a holding company, with important interests in three separate corporations, and also with an investment in outside securities. They are as follows:

Canada Cycle & Motor Company, Limited, with an issued capital of $1,350,000.00, all paid up, and all besides the directors' qualifying shares, owned by Russell Motor Car Company, Limited. This company has paid regular dividends for a number of years and is at present paying 8 per cent. on its capital stock. The results for the past year have not been made public, but it is understood that the results are at least equal to those of 1924.

Canadian Acme Screw & Gear, Ltd., with an issued and paid up capital of $1,000,000.00, of which Russell Motor Car Company holds approximately seven-eighths, the balance being held by the National Acme Company, of Cleveland, Ohio. This company manufacturers screws, nuts, gears and does general machine work. Its business has been growing steadily and while its statement for 1925 is not yet issued, it is understood that the figures will show a small profit.

Russell Motor Car Company, Ltd., also holds $800,000 of the capital stock of Willys-Overland Ltd., whose total share is $3,000,000, all issued. The results of this company are not yet available, but it is understood that Willys-Overland, both in the United States and in Canada, has had a very successful year, and that the Canadian company will show a fair profit. Willys-Overland Limited suffered severely in the slump which took place in the motor business in 1920, and it is understood that it will take a few more years of good profits before the Canadian Company will be in position to pay dividends.

Outside of these above investments with which Russell Motor Car Company is so closely associated, are its holding in Dominion government, provincial, municipal and other high-grade securities, amounting to approximately $500,000.

It is understood that the financial position of the various companies in which Russell Motor Car Company, Ltd., is interested, is good, and the continuity of the "preferred" dividends seems well assured. It would seem necessary, however, that there should be some dividends from either Willys-Overland Limited or Canadian Acme Screw & Gear, Ltd., before the company can resume payment of common stock dividends.

Capitalization—

	Authorized	Outstanding
Common	$ 800,000	$ 800,000
Pref. 7% cum.	1,200,000	1,200,000

Profit and Loss—

Year end, July 31.	1924	1925
Profits	$92,864	$115,504
Pref. dividends	84,000	84,000
Surplus	8,864	31,504
Previous surplus	479,669	448,533
Total surplus	488,533	520,037
Earning Rate—		
Per cent. on com.	1.11	3.94
Per cent. on pref.	7.74	9.62

Eight Years' Earnings—

Year	Earnings	Dividends	Surplus
1918	$628,581	$140,000	$ 536,162
1919	457,878	140,000	854,040
1920	339,453	140,000	1,053,494
1921	158,124	140,000	1,071,618
1922	117,499	116,000	473,118
1923	90,551	84,000	479,669
1924	92,864	84,000	488,533
1925	115,504	84,000	520,037

Officers and Directors—

T. A. Russell, pres.; A. E. Ames, vice-pres.; E. B. Ryckman, J. N. Shenstone, H. D. Scully, J. W. Gibson, gen. mgr., G. W. Suggitt, sec.

Dividend Record—

Preferred paid quarterly, 29¾ per cent. paid Nov., 1917, in full of all arrears. Common 7 per cent. paid from Aug., 1911, to Feb., 1913, inclusive, 7 per cent. paid Nov. 1, 1917, 7 per cent. Aug., 1918 and 1919. Reduced to 1 per cent. Jan., 1922. None paid until Aug., 1922, 1¼ per cent. None since.

Market Record—

	1923		1924		1925	
	H	L	H	L	H	L
Com.	36	17	35	17½	44½	24
Pref.	75	47¾	80	48	88	74¼

Willys-Overland

Subsidiary of American Company Controlling Toronto and Hamilton Plants

Willys-Overland has done much better in the marketing of cars. Its new Overland models have taken well while the popularity of the Willys-Knight has been greater. The fiscal year of the automobile operator ended with the calendar year, and it is quite evident that the hopes of Pres. Russell at the October meeting, that the year would result in a net profit, have been fulfilled.

Capitalization—

	Authorized	Outstanding
Ordinary shs. .	$3,000,000	$3,000,000

(During 1923 the former issue of $3,000,000 authorized ordinary stock, of which $1,000,000 was outstanding, was cancelled. $1,000,000 7% cumulative convertible preference, class "A," and $2,000,000, 7% cumulative convertible preference, class "B," all outstanding, were converted into the present issue of $3,000,000 ordinary stock, with the exception of 50 shares which had not been converted up to Feb. 1, 1925.)

Officers and Directors—

John N. Willys, chairman of board; T. A. Russell, pres. and gen. mgr.; L. A. Miller, vice-pres.; J. H. Gerkens, treas.; W. P. McQueen, sec.; A. E. Ames, H. J. Leonard, Gordon Mather.

Gotfredson Corporation

Demand For Motor Buses a Big Factor in the Motor Truck Industry

The Gotfredson Corporation, Ltd., is an amalgamation of the American Auto Trimming Company, Walkerville, established in 1912 and the Gotfredson Truck Corporation, Walkerville established in 1920 and was effected about the end of 1924. The company manufactures motor trucks, busses and taxi cabs, makes automobile bodies and does automobile painting and trimming of all kinds. The business is an outgrowth of a small industry and the present assets have been built up largely out of earnings. In addition substantial dividends have been paid to shareholders.

The Canadian company has acquired from the parent company, the Gotfredson Corporation, Detroit, exclusive rights for the sale of Gotfredson trucks in Canada and Great Britain as well as in all other British possessions. Models range from a one ton speed truck to five ton heavy-duty truck. The coach or bus business is a natural outgrowth of the truck business and has developed rapidly. The company is not only securing its share of the ever-expanding demand for motor trucks for commercial purposes but is also sharing in the increasing popularity of the gasoline vehicle for passenger transportation.

Capitalization—

	Authorized	Outstanding
Stock	100,000 shs.	100,000 shs.

Stock first publicly offered (20,000 shares) in June, 1925, at $25 per share.

Funded Debt—

None.

Dividend Record—

The directors have signified their intention of placing the stock on an initial dividend basis of $1.50 per share per annum, payable quarterly.

Officers and Directors—

B. J. Gotfredson, pres. and treas.; Robt. B. Gotfredson, vice-pres.; M. H. Coleman, sec.

Profit and Loss—

The net earnings of the business, after depreciation and Federal taxes for the five years ended Dec. 31, 1924, average $185,916.

A New High Mark in Motor Production

NEW YORK.—During 1925 the production of cars and trucks established a new high mark. The output is estimated at 4,325,000, exceeding that of 1924 by 19 per cent. and the previous record of 1923 by approximately 250,000 cars and trucks. December, with a production of 330,000 cars and trucks, was the second consecutive month to show a decline, but this was of a seasonal nature; every year since 1921 there has been a progressive decline in production during the last quarter. The December output, however, was 65 per cent. above the like period in 1924, and manufacturers have laid plans for another large production program for this year, based upon heavy orders and the interest shown at the Automobile Show in New York, which has enjoyed a record attendance.

Foreign market demands are steadily increasing. During 1925, 550,000 motor vehicles were exported, a gain of 44 per cent. over the previous year and constituting 12 per cent. of the total output of our factories. At the present time 20,000,000 motor vehicles are registered in the United States, representing 80 per cent. of the total world registration.

SASKATCHEWAN LIKES SUBSIDY

REGINA.—As one of the last acts of the session, the legislature, which was prorogued recently, decided that Saskatchewan will not abandon a subsidy of $750,000 rising to $1,125,000 in lieu of natural resources, for the shadow of an arrangement which might not be fair to the province.

Durant Motors of Canada

If Business Continues Throughout 1926 as it Has Started, There Should be Good News for the Shareholders

Durant Motors of Canada, incorporated in 1921, after several trying years of experiment and development, looks with a feeling of confidence and encouragement to 1926. January business of the company has been exceptionally brisk, in fact the best since incorporation, and if the company's plans and hopes are not shattered by calamitous legislation, 1926 ought to bring good tidings to the shareholders.

The substantial plant of the company is well equipped, and perhaps one of the best organized in Canada. The land and buildings, and also the equipment have been maintained, and have been kept right up-to-date, and represent an unencumbered asset estimated at $1,500,000. Recently there have been further capital expenditures to the extent of $50,000 for new plant equipment. The relationship between dealer and company is very cordial. An unusual keen interest and feeling for each other exists.

The company is now making a full range of Star "Sixes" in addition to the range of "fours," having discontinued all other models. The new light six, by the way an indicator of a new trend, has already made a great hit in the motor world.

One of the greatest factors that the company has had to contend with in the past few years is the carrying charges of the huge plant for twelve months while the production has been seasonal. The company has a production capacity of 50,000 cars per year while in the past four years the company has produced less than 10,000 cars annually. The company plans to produce some 10,000 cars for 1926, and on that basis will employ an average through the year of 400 people. The company could increase its annual production with present facilities to 50,000 cars by the addition of 1,600 men. The company has been promised export business from the American company, where hitherto all the production for export has been done. If the Canadian plant were to get all the export business of the American plant, its production would be at capacity.

At the present time there are some 287,000 shares outstanding of which about 162,000 shares are in the hands of Canadians. The total amount of share capital outstanding represents an initial outlay of some $3,000,000. Although the present market value of these shares is considerably below the initial market value, a year's good business will see the company in a much stronger position.

The Durant Motors Co. is amongst the four largest producers and merchandisers of automobiles for home consumption in Canada.

Capitalization—

	Authorized	Outstanding
Stock	$3,000,000	$3,000,000

Par $10.

Funded Debt—

None.

Officers and Directors—

W. C. Durant, pres.; C. F. Daly, vice-pres. and treas.; R. E. Briggs, vice-pres.; H. F. Herbermann, sec.; T. R. McTigue, James A. Brand, asst. secs.; R. R. Mulch, gen. mgr.; C. O. Miniger, E. A. Wallberg.

Profit and Loss—

	†Dec. 31, 1924	Feb. 29, 1924	Feb. 28, 1923
Sales of cars ..	$4,376,018	.....	$3,653,920
Sales of parts	193,405	.....	128,556
Tot sales	$4,569,423	.....	$3,782,476
Surplus ..	$ 78,250	*$36,410	$ 85,627
Prev. surp.	18,201	85,627	......
Surplus	*$ 60,049	‡$18,201	$ 85,627

*Deficit. †10 Months. ‡Adjusted.

COMPETITION IS PUBLIC'S SAFETY IN "GAS" PRICES

Clarkson Inquiry in Ontario Indicates Fair Methods

On the 5th of June last, at the request of the City of Toronto, the City of London, and other municipalities, the Ontario Government decided to make an enquiry into the prices of oils and gasoline supplied by vendors in the Province of Ontario. This enquiry was conducted by G. T. Clarkson, Toronto, who obtained a great quantity of information by means of questionnaires, sworn evidence and statements and balance sheets and accounts of various companies and organizations.

On the strength of this information Mr. Clarkson has made a report which is now in the hands of Premier G. H. Ferguson. It was officially presented to the Lieutenant-Governor in Council about two weeks ago, and except for a brief summary given the daily press nothing has so far been seen or heard of the report. The original report of findings of this Royal Commission of One covers many volumes and includes much information taken in absolute confidence from vendors of gasoline and oil. The investigation covered the operations of some seven major distributors and of certain smaller distributors, the latter having been the chief cause of the investigation through their selling of gasoline during certain periods at a considerable reduction on prices charged by the larger firms.

Absolved from Blame

The report, for the most part, absolves the oil companies from blame, showing that the wide differential in gasoline quotations complained of was due to very temporary conditions, more advantageous to smaller concerns than to the large ones. This phase of the report has been much commented on by those who agitated most aggressively for the investigation and who felt that the situation was very definitely controlled by certain oil interests, but members of the Ontario Cabinet, when interviewed by Hardware and Metal expressed utmost satisfaction and approved of the report. Hon. G. S. Henry, Minister of Highways, stated that the report had been given very careful consideration by Premier Ferguson, who had expressed satisfaction with the scope of the enquiry and the findings.

Discussing the report Mr. Henry pointed out that occasionally distress stocks of refined gasoline are available at low prices, temporarily due to the conditions on which crude oil is obtained. In Oklahoma there were said to have been numerous occasions when strikes of oil were made and claims established so close to each other that unless quick work was done in pumping out the oil it would be recovered on neighboring claims. This brought a big over-production of crude oil which after refining generally found its way into scalpers' hands at comparatively low prices and finally came on the market at lower prices than the gasoline produced and refined in the ordinary way. There was said to be great variation in the content of certain crude oils which also added an element of speculation which had to be provided for, some oils running higher in content of kerosene, and other of the "modern" by-products, than in gasoline. These speculative factors made it necessary for the larger companies with heavy investments in plant and equipment to standardize the business as much as possible and by a policy of buying refined gasoline in the United States when warranted and maintaining of their own refining and storage facilities in Canada, to balance the market to best advantage.

It was the feeling of a number of business men interviewed that the competition of seven major distributors of gasoline and oil in Ontario acted as sufficient protection against unduly high prices, even where certain of these companies exercise a large measure of control over the retail sale of the product through their own service stations and through a measure of control of distribution by independent retailers in connection with terms of purchase of curb pumps.

The extent to which the competition of oil companies in buying up of prominent properties for service stations has increased their cost of operation is not dealt with but it is known that many of such stations are not profit-makers. They provide distribution, however, give publicity to the product and add to the assets of the companies concerned much valuable real estate.

It was shown that a considerable control is exercised over the distribution of these products by oil companies, particularly certain of the larger distributors but no evidence was said to have been procurable under oath which would indicate that anything in the nature of a combine existed.

INTELLECTUALS SPREAD DANGEROUS PROPAGANDA

(Continued from page 1)

tion with the operation of buses on Sherbrooke Street is ridiculous. Sane observers agree that Montreal Tramways' present owners and management are anything but stock manipulators. Moreover, "Truth" omits to mention the fact that the Tramways Co. operates under the direct jurisdiction of the Montreal Tramways Commission, which is appointed to safeguard the interests of the citizens of Montreal, and to prevent excessive fares being charged.

Again, there appears in the same issue the following "rap" at the taxicab merger in Montreal:

> **MERGERS AGAIN**
>
> Kennedy and "Bramson" to-day! More mergers! Always mergers! If Canadians could get out of the merging habit it would be well for all except the mergers.

The reader will perhaps wonder if these words were written by the Dean of Montreal, or perhaps by the Dean of MacDonald College, who both must have an intimate knowledge of economics. This supposition hardly seems reasonable, as both must know that the Montreal taxi-merger must at least result in improved wages for the employees of the companies and, in addition, make possible better taxicab service in the City of Montreal.

However, the interesting thing about these articles in "Truth" is not the inaccuracies contained in the accusations, but the fact that men of the calibre of those listed on the honorary editorial board have allowed their names to be used in the circulation of propaganda which, is bound to start antagonism between busines men and the public generally, and between capital and labor.

THE MONTREAL

City and District Savings Bank

ESTABLISHED 1846

79TH ANNUAL REPORT 79TH

MONTREAL, FEBRUARY 8TH, 1926.

TO THE SHAREHOLDERS:—

Your Directors have pleasure in presenting the Seventy-ninth Annual Report of the affairs of the Bank and the result of its operations for the year ending December 31st, 1925.

The net profits for the year were $276,554.55, and the balance brought forward from last year's profits account was $280,567.98, making a total of $557,122.53. From this amount have been paid four quarterly dividends to our Shareholders; $7,700 has been contributed to various charitable and philanthropic Funds—independently of the sum of $10,200, interest on the Charity Donation Fund, distributed as usual—and $200,000 has been added to the Reserve Fund, leaving a balance at the credit of Profits account of $149,613.21 to be carried forward to next year.

As usual a frequent and thorough inspection of the books and assets of the Bank has been made during the year.

The report of the Auditors and the Balance Sheet are herewith submitted.

GENERAL STATEMENT

DECEMBER 31ST, 1925

LIABILITIES

To the Public:—		
Amount due Depositors	$53,695,127.47	
" " Receiver General	93,341.86	
" " Charity Donation Fund	180,000.00	
" " Open accounts	364,011.93	
		$54,332,481.26
To the Shareholders:—		
Capital Stock (subscribed $2,000,000) paid up	1,498,570.00	
Reserve Fund	1,800,000.00	
Balance of Profits carried forward	149,613.21	
		3,448,183.21
		$57,780,664.47

ASSETS

Cash on hand and in Chartered Banks	$ 7,864,474.59	
Dominion and Provincial Government Bonds	19,089,776.92	
City of Montreal and other Municipal Bonds	22,576,730.17	
Bonds of School Municipalities	81,897.79	
Other Bonds and Debentures	1,167,600.00	
Sundry Securities	220,000.00	
Call and short loans secured by collaterals	5,216,276.66	
Charity Donation Fund, invested in Dominion and Municipal securities approved by Dominion Government	180,000.00	
		$56,396,756.13
Bank Premises, Head Office and sixteen branches	1,170,000.00	
Other Assets	213,908.34	
		1,383,908.34
		$57,780,664.47

On behalf of the Board,

R. Dandurand
President.

A. P. Lesperance
General Manager.

AUDITORS' REPORT

Having obtained all the information and explanations we have required, and having satisfied ourselves of the correctness of the Cash Balances and examined the Securities held against the money at Call and Short Notice and those representing the investments of the Bank, and having examined the foregoing Balance Sheet and compared it with the Books at the Head Office and with the Certified Returns from the Branches, we are of opinion that the transactions of the Bank have been within its powers and that the Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Bank's affairs, as shown by the Books of the Bank.

A. CINQ-MARS, C.A.
C. A. SHANNON, L.I.A. } *Auditors.*

Montreal, January 30th, 1926.

Canadian General Electric

Now Controlled by the General Electric Through Stock Ownership—Gives Advantage of Research and Experimental Work in Cutting Costs

While the business of the Canadian General Electric Company in the early months of 1925 was considerably less than for the same period of 1924, the closing months witnessed a sufficient recovery to make up the ground loss and the year ended with a total volume slightly in excess of the preceding period. The improvement referred to is continuing into 1926 and promises to last for at least the first half of the year. Merchants are continuing their policy of buying only for immediate turnover and stocks in hand are conservative; collections are showing marked improvement.

A controlling interest in the Canadian General Electric Company was secured during the latter part of 1923 by the General Electric Company, through the purchase of the majority of the common stock on the basis of $62.50 cash and a $50 par value share of new 7 per cent. preferred stock of the Canadian company. Over 90 per cent. of the common stock of the Canadian company has been acquired by the American company. One important operating advantage of this connection is that the Canadian company has the advantage and the benefit of the important laboratory work carried on by the American company. Thus the overhead costs in connection with research work and in the making of patterns and designs is greatly reduced. The new president of the Canadian company, D. C. Durland, being a graduate executive from the American plant, the Canadian company gains also the advantage of the experience of the older and bigger company in the electrical field.

The Canadian company has the perpetual and exclusive rights to manufacture and sell Canadian General Electric apparatus in Canada and Newfoundland. It has acquired from time to time the rights and business for Canada of various companies owning patents on electrical machines and specialties, including the Edison General Electric Company, the Edison Electric Light Company, the Thomson-Houston International Electric Company, etc. In 1911 the property and assets of the Sunbeam Incandescent. Lamp Co., of Toronto, were acquired. In 1910 the company purchased the land and plant of the Canadian Shipbuilding Co., near Bridgeburg, Ont., and this plant was re-converted into a modern shipbuilding plant. In 1913 the company acquired all the properties and assets of Allis-Chalmers Bullock, Ltd., of Montreal, and the Stratford Mill Building Company of Stratford, Ont., and concluded an agreement with Allis-Chalmers Manufacturing Co., of Milwaukee, which gives the C. G. E. Co. exclusive rights to manufacture and sell in Canada all apparatus manufactured by Allis-Chalmers Manufacturing Co. The business acquired from the Allis-Chalmers Bullock Company, of Montreal, is being conducted under the name of the Canadian Allis Chalmers, Ltd. In 1919 the company bought the factory formerly occupied by the Mooney Biscuit and Candy Co., of Stratford.

The company has four plants in Toronto, two at Peterborough and others at Montreal and Stratford. The total area of these plants is over 99 acres and the floor space over 1,650,000 square feet. In addition, the company owns 742 acres of vacant land and four factory properties. The company has warehouses at Halifax, St. John, Montreal, South Porcupine, Winnipeg. Calgary, Vancouver, Sydney, Ottawa, London, Windsor, Cobalt, Hamilton and Edmonton.

Capitalization—

	Authorized	Outstanding
Common	$18,000,000	$9,442,250
Preferred	18,000,000	8,557,750

On Feb. 15, 1924 shares of common stock of $100 par value were converted into two shares of $50 par value.

Funded Debt—

Debentures 6 per cent., 20 year gold, due April, 1942. Interest payable April and Oct., $5,000,000.

Dividend Record—

Dividends on preferred formerly outstanding were regularly paid. Initial dividend of ⅞ per cent. on new preferred paid March, 1924; regular payments since quarterly. Common reduced from 8 to 6 per cent. for quarter ended June, 1922, and paid to quarter ended Dec., 1923; ¾ per cent. paid Feb., 1924, and ¾ per cent. April, 1924: none since. Bonus 2 per cent. paid April, 1920; stock bonus of 20 per cent. paid Aug., 1921.

Profit and Loss—

	1923	1924
Profits	$1,482,234	$1,593,631
Interest	404,151	415,158
Depreciation	400,000	600,000
Net profits	678,082	578,473
Dividends	822,985	512,226
	x144,903	66,247
Balance forward	6,820,411	6,629,768
Total surplus	6,675,508	6,696,015
Trans. reserve	......	3,951,909
Int. written off	45,740	......
	6,629,768	2,744,105

x Deficit.

Eight Years' Earnings—

Year	Earnings	Dividends	Surplus
1917	$2,051,609	$ 780,000	$4,466,293
1918	2,013,996	780,000	5,122,776
1919	1,617,989	780,000	5,436,098
1920	2,213,731	1,014,114	5,778,672
1921	1,707,339	927,038	7,557,726
1922	532.791	841,879	6,820,411
1923	1,482,234	822,985	6,629,768
1924	1,593,631	512,226	2,744,105

Market Record—

	1923		1924		1925	
	H	L	H	L	H	L
Com.	115	80	58½	52½	55	53
Pref.	114⅛	100	56½	51⅛	60	50

Officers and Directors—

A. E. Dyment, chairman of board; D. C. Durland, pres.; S. Haas, vice-pres.; J. J. Ashworth, gen. mgr.; G. W. Beadmore, H. C. Cox, F. Gordon Osler, Sir Herbert Holt, Sir Jas. Lougheed, W. L. Matthews, W. G. and W. D. Ross, E. G. Patterson, A. M. Stewart, K.C., J. H. Black, J. A. Bremner, asst. gen. mgr., W. H. Nesbitt, sec., A. E. Guest, treas.

Canadian Westinghouse

This Company is Sharing in General Demand for Electrical Equipment

The electrical industry generally being in a healthy and fairly prosperous condition and with power companies increasing their production, and the pulp and paper industry continuing its expansion, improvement is being continued and the outlook is for good business conditions, particularly in the early part of 1926. Under these conditions the Canadian Westinghouse Co. is expected to submit a favorable report for 1925. There should be an improvement shown over 1924 which was regarded as a period of only medium business activities, but with an upward turn in the late months.

The Canadian Westinghouse Co. was incorporated in 1903, taking over the various interests in Canada of the Westinghouse Airbrake Co., the Westinghouse Electric and Manufacturing Co., and the affiliated organizations, including the plant and property of the Westinghouse Manufacturing Co., which had a large factory at Hamilton for the manufacture of airbrakes.

Capitalization—

	Authorized	Outstanding
Stock	$10,000,000	$7,432,900

No funded debt.

Dividend Record—

Dividends payable quarterly, Jan., Apr., July and Oct., 1905-1909, 6 per cent. 1910, 6 plus 1 per cent.; 1911, 6 plus 2 per cent.; 1912 and 1913, 7 plus 2 per cent.; 1914, 7 per cent.; 1915, 9 per cent.; 1916, 7 plus 3 per cent.; Mar., 1917, 25 per cent. out of accumulated profits for twelve years; 1917, 7 plus 1 per cent.; 1918, 7 plus 2 per cent.; 1919, 7 plus 1 per cent.; 1920, 7 plus 2 per cent.; 1921, 8 plus 2 per cent.; 1922, 8per cent.; 1923, 1924 and 1925, 8 plus 2 per cent.

Officers and Directors—

H. H. Westinghouse, chairman; Paul J. Myler, pres.; L. A. Osborne, vice-pres.; F. A. Merrick, vice-pres.; N. S. Braden, vice-pres.; J. Ahearn, Sir J. M. Gibson, J. F. Miller, Gen. G. E. Tripp, C. A. Terry, H. M. Hart, gen. mgr. and chief engineer; W. E. Spraggue, sec.-treas.; G. E. Kerr, treas.; G. H. O. Pook, mgr. of works; H. M. Bostwick, manager of sales.

Profit and Loss—

	1923	1924
Earnings	$2,208,883	$2,501,758
Expenses, etc.	884,568	1,023,303
	1,324,315	1,478,455
Fr. int. on bonds	20,077	17,997
From bank int.	49,081	44,917
	1,393,473	1,541,369
Depreciation	212,000	246,000
Taxes	120,000	136,000
Pension fund	40,000	20,000
Net earnings	1,021,473	1,139,369
Dividends	742,790	743,290
	278,683	396,079
Bal. forward	2,612,681	2,891,364
Balance	2,891,364	3,287,443

Rate of Earnings—

	1923	1924
Per cent. on stock	13.75	15.32

Seven Years' Earnings—

Year	Earnings	Dividends	Surplus
1918	$1,622,049	$560,646	$1,711,688
1919	1,416,206	498,352	1,814,272
1920	2,020,516	615,525	2,114,827
1921	2,236,936	741,790	2,464,417
1922	1,776,154	593,932	2,612,681
1923	2,208,883	742,790	2,891,364
1924	2,501,758	743,290	3,287,443

English Electric

Since Changes Were Made in Its Plant It Has Been Getting Share of Big Orders

The tide has turned for English Electric. For the past year this company has been doing much better. Heads of the company set out to place the operation in position to compete for the numerous large electrical orders that were offering in Canada. The effort was successful, and the last report was that the company was getting a share of this business. The demand for the shares, said to be traceable to inside buying, indicates that the company has been doing much better. Another favorable factor has been the negotiating of an agreement with a large English company which had widened the scope of operations. This was completed through the parent company and the new connection is with Power, Traction and Finance, of London, and engineering group which has successfully undertaken financing and construction of large engineering projects in many parts of the world. A favorable factor in 1925 was the payment of 2½ per cent. on the preferred arrears in August. The last dividend on the preferred was paid in July, 1922. The August declaration came just at a time when the stock was about three years in arrears and which would have conferred voting rights on the preferred shareholders. To the end of 1925 the arrears on the preferred total 23½ per cent.

Capitalization—

	Authorized	Outstanding
Com.	30,000 shs.	30,000 shs. no par V.
Pref.	$2,000,000	$2,000,000 $100 ea.

Dividend Record—

Preferred, 8 per cent. per annum, payable. Mar., June, Sept. and Dec. First paid Mar. 31, 1922. Passed for quarter ended Dec. 31, 1922; 2⅛ per cent. paid Aug., 1925; no arrears.

Officers and Directors—

R. A. Stinson, pres. and gen. mgr.; Gordon F. Perry, chairman of the board; Hon. F. H. Phippen. R. Home Smith; D. H. McDougall, T. H. Watson, Col. N. D. Perry, D.S.O., Lord Meston, K.C. S.I., Lt.-Col. Sir J. H. Mansell, K.B.E. D.L., P. J. Pybus, C.B.E.

Profit and Loss—

	1923	1924
Profit	$ 75,659	$ 95,092
Depreciation	40,000	40,000
	35,659	55,092
Balance forward	229,092	264,751
	264,751	319,843

Northern Electric

About Third of Output is Sold to Parent Organization, the Bell Telephone

Half of the stock in the Northern Electric Company is owned by the Bell Telephone Company. A substantial proportion of the subsidiary's gross revenue is derived from sales to the Bell organization and the remainder from sales to other companies in Canada. Through controlling this subsidiary, the Bell Telephone Company effects many economies, for the Northern Electric, in purchasing in larger quantities, is in a position to obtain lower prices. The Northern Electric has warehouses in all the important centres in the Dominion where are housed its supplies of electrical equipment.

Capitalization—

	Authorized	Outstanding
Capital stock .	$10,000,000	$6,000,000

Par $100.

Funded Debt—

First 5% sinking fund bonds, due 1939, outstanding $2,328,600.

Dividend Record—

Initial dividend of 7% was paid March 1, 1917; March 1, 1918, 7%; 1919, none; March 1, 1920, 3½%; 1¾% each quarter thereafter, including first quarter of 1921; none thereafter until 1923, when 7% was paid; 1924, 8% regular and 2% extra.

Officers and Directors—

P. F. Sise, pres.; J. D. Hathaway, vice-pres.; Clement Say, sec. and treas.; L. B. McFarlane, A. J. Brown, R. H. McMaster, F. W. Molson, C. F. Sise, H. A. Halligan, G. E. Pingree, H. F. Allbright, T. Ahearn.

Profit and Loss—

	1924	1923
Net earnings ..	$1,515,634	$1,151,580
Interest	193,315	193,007
Special reserve	50,000	50,000
Bal. for div. ..	$1,272,319	$ 908,573
Dividends	600,000	420,000
Surplus for year	672,319	$ 488,573

Fairbanks-Morse

In Arrears in Preferred Dividends—Some Improvement in Earning Power

The Canadian Fairbanks-Morse Company is mainly engaged in the manufacture and merchandising of equipment for industrial and agricultural enterprise. The lack of general development in Canada along these lines has made the company's business unsatisfactory during the past few years. At the beginning of 1924 the preferred dividend was passed. The company entered 1925 in a better financial position as compared with the preceding year, and the results which it will obtain during the current fiscal year will depend pretty well on the general level of business conditions.

It is understood that profits during 1925 have been bettered, and that the outlook for the current year is a little improved over 1925.

Capitalization—

	Authorized	Outstanding
Pref. 6 % cum.	....	$1,500,000
Com. shares	125,000	82,339

No par value.

Funded Debt—

None.

Dividend Record—

Preferred 3 per cent. each six months, payable Jan. 15 and July 15. Passed for six months ended June 30, 1924. Common, 1917, 27¼ per cent.; 1918, 18 per cent.; 1919, 8 per cent.; 1920, $2.64 per share. None since.

Officers and Directors—

Thos. McMillan, pres.; H. J. Fuller, chairman; P. C. Brooks, C. J. Brittain; R. H. Morse, C. H. Morse, W. E. Miller, F. M. Boughey, C. G. Drinkwater, H. F. Walker, sec. and treas., T. M. Cullen, asst. treas.

Profit and Loss—

	1923	1924
Prof. on oper.	†$ 163,934	$ 56,082
Other profits	88,968	45,899
Total profits	†74,966	101,981
Interest	......	68,962
Depreciation	......	29,619
Pension fund	......	14,997
**Red. in surplus	9,520	7,310
Res. for bad debts	......	160,117
Dividends	90,000	......
Balance	†174,486	*179,024
Prev. Surplus	2,058,693	1,884,206
Total surplus	1,884,207	1,705,182

* Deficit.

† Loss.

** Resulting from forfeiture and cancellation of common stock.

Eight Years' Earnings—

Year	Earnings	Dividends	Surplus
1917	$1,033,817	$571,000	$1,340,440
1918	1,310,598	378,000	1,762,538
1919	625,150	218,000	2,076,607
1920	279,562	313,153	3,726,699
1921	*1,361,004	90,000	2,168,760
1922	104,709	90,000	2,058,693
1923	*74,966	90,000	1,884,206
1924	101,981	......	1,705,182

* Loss.

Market Record—

	1923		1924		1925	
	H	L	H	L	H	L
Pref.	75	69	67	64⅝	46	46

All Records Are Broken in Building Activities

NEW YORK.—Building operations for 1925 eclipsed all former records by a considerable margin. According to the F. W. Dodge Corporation, expenditures for the year totalled $6,500,000,000, a gain of nearly 25 per cent. over 1924. Since 1922, each succeeding year has shown a substantial increase in building expenditures over the one preceding.

Dominion and Provincial
Government Bonds
Municipal Bonds
Public Utility
and
Industrial Financing
Foreign Issues Quoted

DOMINION SECURITIES CORPORATION
LIMITED.
Established 1901
E. R. WOOD, President
Head Office: 26 King Street East
TORONTO

MONTREAL OFFICE
Canada Life Building

LONDON, ENG., OFFICE
No. 6 Austin Friars

"Achievement"

Partial list of Buildings constructed by this Company:

Parliament Buildings, Ottawa;
T. Eaton Mail Order Building, Winnipeg;
New Union Station, Toronto;
Transportation Building, Montreal;
Dominion Express Bldg., Montreal;
Board of Trade Bldg., Montreal;
Montreal Trust Bldg., Montreal;
North Toronto C.P.R. Station;
Excelsior Life Bldg., Toronto;
Harbor Sheds, Montreal;
Government Dry Dock, Esquimault;
Canadian General Electric Factory, Toronto;
Custom House, Montreal;
Examining Warehouse, Ottawa;
C.P.R. Freight Sheds, Toronto;
Alexandra Hotel, Winnipeg;
Ottawa College, Ottawa;
Provincial Legislative Bldgs., Regina;
Palliser Hotel, Calgary;
Union Station, Ottawa;
Drill Shed, Edmonton;
Welland Canal;
Sun Life Building, Montreal;
Yorkshire Insurance Building, Montreal;
Kellert Building Montreal;
Dominion Archives Building, Ottawa;
Bank of Montreal, Halifax, N.S.
Versailles Building, Montreal;
Belgo-Canadian Building, Montreal;
Montreal Power Building Annex, Montreal;

And Many Other Leading Buildings
From Halifax to Victoria.

P. Lyall & Sons
Construction Company, Limited
MONTREAL
GENERAL CONTRACTORS

FUEL QUESTION MUST BE SOLVED IN VIEW OF FACTS

Difficulties to be Overcome to Supply Central Canada

By LESLIE R. THOMSON, M.E.I.C., Consulting Engineer, Montreal, in paper before the Engineering Institute of Canada.

Canada, roughly speaking, is a strip of country three thousand miles long and perhaps fifty to one hundred miles wide. At the two extremities there is abundance of good coal. At the centre there is none whatever, though it is just at this point that the *centre of* gravity of coal consumption *lies.* In close proximity are the *finest* bituminous mines in the world. As already pointed out, these American mines during a period of years, have had a steady increase in the output per man per day. The Alberta fields cannot possibly compete, and the Nova Scotia fields have a decreasing output per man per day. The American fields have decreasing costs per ton pit head—the Nova Scotia fields have a far higher cost and possibly increasing prices. This is the very essence of the problem.

The writer believes, for reasons already outlined, that a complete Canadian supply for Canadian needs is from a purely economic point of view almost hopeless. On the other hand, if the people of Canada desire to reach an independent fuel position irrespective of economic law, it can be done by means of tariffs and bonuses. Before taking such an important step, however, it is essential that the facts of the situation be collected, collated carefully, and their real import understood. In this connection the real cost of moving coal should be known. It should also be understood why Nova Scotia prices are moving upwards—*i.e.,* as a general tendency over a period of years—and outputs per man per day downwards when during the same space of time the American bituminous fields of similar types of mines are going through different cycles. The public anxiety towards the Nova Scotian situation is reflected by a corresponding disquietude in England over a similar state of conditions obtaining in the British mines.

If part of the low prices and increasing outputs of the American mines are due to a cycle of disorganization, unfair competition and overdevelopment in these fields, then some estimate should be made of the amount of price adjustment to be expected, and the time when it will take place, in order to assess the amount of assistance to be granted to the Canadian areas. To the best of the writer's knowledge there has *never been* a time in Canada when so *much* interest is being shown in the question of fuel and a national fuel policy. The public, the miners, and the operators are all agreed that the matter is one of national importance and not merely a dispute as to wages and living conditions. The origin and the outcome of strikes, the protracted negotiations, etc., are no longer the sole concern of the disputing parties, but are of infinite importance to the future of this Dominion, for fuel is undoubtedly one of the basic facts of our civilization. The spirit of a sincere desire to solve this formidable problem has been born in a new atmosphere of national feeling, and in this atmosphere alone will a satisfactory solution be found. The order of the solution is beyond question:

1st. What are the facts?

2nd. What is the real import and explanation of the facts when gathered?

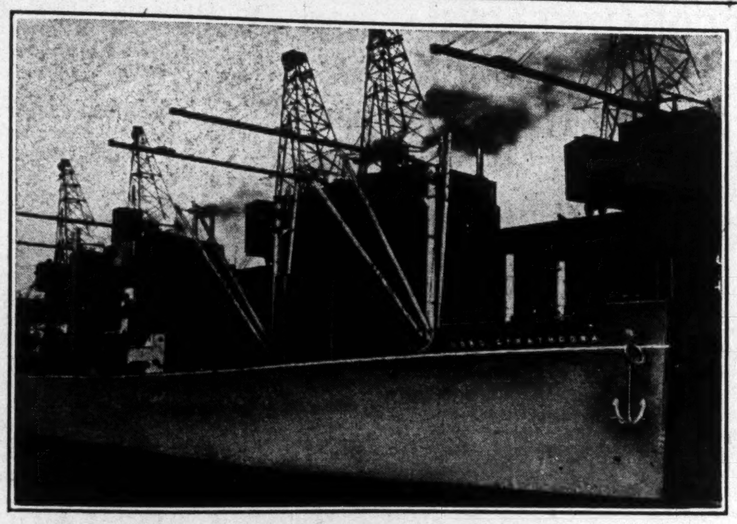
3rd. The initiation of a national policy based on the facts.

To this work Canada should devote her finest and best ability. Nothing less will meet successfully so grave a situation.

Transportation

The cost of transportation of coal to Ontario from Alberta or Nova Scotia is one of the real fundamentals of the Canadian problem. It is obvious that with reduced costs of haulage Alberta coals can move farther to the east and Nova Scotia coals can penetrate further westwards into Ontario. An analysis of transportation costs is obviously outside the scope of this paper, but certain points may be raised.

The Canadian freight rate structure is at once delicate and intricate. In the main the freight rates are purely empirical, and no pleasing generalities, such as comparative rates per mile on various commodities, are able to solve the problem. On the other hand, the Railway Commission has in hand at the present time a complete investigation and revision of Canadian freight rates. Representations to them of glaring abuses or of commercial discrimination will be received most carefully, and will have great weight in clarifying the whole matter. A single example of one of the minor difficulties that Nova Scotia coal meets in order to penetrate into the eastern portion of the acute fuel area is the fact (touched on before) that the 14-foot grain carriers moving westbound Montreal to Port Colborne (passing Toronto) are practically always empty of heavy freight. The coal rate westbound quoted under the present lake freight structure makes it impossible for the Nova Scotia operators to compete in Toronto with American coals. If, however, a special rate were conceded with the object of getting some freight rather than none, it is possible that under certain circumstances Nova Scotia coals could make an impression in Toronto. The difficulty appears to be that this special westbound lake coal rate cannot be granted without prejudicing the whole question of the grain rates on the Great Lakes. It is obvious that we have here a very delicate point, and the writer quotes this example as one instance of how intricate the question of coal transportation is when looked at from a detached but responsible point of view.



Coal and Ore Docks of the British Empire Steel at Sydney, Nova Scotia.

The writer ventures to suggest that the following steps be taken:

That the federal government set on foot an enquiry into the actual cost of moving coal in train load lots and in steamer lots in order to place this matter beyond the realm of half-informed controversy. This duty might be discharged with propriety by the Railway Commission of Canada, but that its findings be not made public without including in the final figure proper allowance for overhead, depreciation and profit. Any other course of action might seriously prejudice the whole question of a long haulage movement of coal.

For example, the real cost of moving coal by water from Montreal to Toronto should be examined. In many cases the 14-foot draught vessels coming down to Montreal with grain return absolutely empty to Lake Ontario. A ballast cargo of coal to Toronto might be shipped very economically. The purpose of this suggestion is to get at the facts of the case in order that the government may be able to assess accurately the amount of assistance required to place Alberta and Nova Scotia coals into Ontario on a competitive basis.

The writer now submits verbatim certain of the remaining detailed recommendations of the E.I.C. Committee. In these recommendations he concurs:

"Your committee recommends to council that the federal government be urged to take appropriate action in order that each of the provinces concerned should adopt after discussion standards of quality and regulations governing delivery of coals. Until this is done, the public in their purchasing of coal will not be protected in any way.

"Your committee recommends that the council place on record with the federal government its appreciation of the valuable work at present being undertaken by the Dominion Fuel Board, that the government be urged to prosecute this work vigorously, and, further, that any so-called national fuel policy should only be adopted after receiving recommendations and reports by the Dominion Fuel Board.

"Your committee recommends that Council go on record as opposing any tendency to force the railways to haul commodities at less than cost, except in times of national peril; and further recommends that, if for national reasons it be desirable to have Ontario become a market for Alberta coals, the council urge upon the federal government the wisdom of bringing about such a result by subsidies or tariffs, rather than by imposing non-economic operation on the transportation systems.

"Your committee recommends that the Alberta operators be urged to concentrate their efforts on the production of the high-grade coals for supply to the western region rather than on the shipment of their low-grade coals to Ontario."

Letters to the Editor

The Case for the Maritimes

Editor Financial Post:

Here is the position of the Maritimes. We came into the Confederation under a clearly understood set of conditions. Ontario did the same. The conditions so far as Ontario is concerned have been carried out to the full. The vital conditions agreed upon regarding the Maritimes have never been fulfilled. We were to have the whole of the trade of Canada, both import and export, during the time the St. Lawrence was closed. That was an essential condition of union. Another essential condition of the union was a promise to Ontario that the Confederation should contribute to the development of the canal and waterway system of that country. Well, the rest of Canada has so contributed, and the canals are built. but the Maritimes have never seen the promised trade they were to have.

It is very nice indeed to preach "let by gones be by gones" when one party to a contract has his full share and the other party has not been given a look in. We have come to the point in the Maritimes when we are fed up with this sort of thing, especially when that treatment has been repeated time and again.

What about the enactments regarding the building of the Canadian Northern Railway? What about the enactments regarding the building of the Transcontinentals? Have not the Maritimes paid their full share of the cost of building these roads? Were they not built on the understanding clearly expressed in the statutes of the day that they were granted their vast subsidies only on conditions that they were to do the business of Canada through Canadian ports? Have they done so? Where is that vast trade going? Millions of tons of it is flowing through the Atlantic ports of the United States, while the Maritimes are drying up and our youth is fleeing from the land of its birth as if there were a pestilence here.

Either we get a just and honorable deal in association with you or we cut loose from the Confederation and start off on our own, as an independent province.

H. S. CONGDON.

Dartmouth, Jan. 14th.

Besco Railway Lines an Important System

The railways operated by the companies which constitute the British Empire Steel Corporation carried approximately 9,500,000 tons of freight in 1924. A more exact idea of the extent and importance of the corporation's railway properties may be gained from the following facts:

The combined length of tracks and sidings is now two hundred and seventy miles and this is constantly growing. To move the traffic over these tracks seventy-two locomotives are required, and, as has already been noted, these are of more than usual power. Twenty-four passenger coaches are in use; fourteen on trains provided for the general public and ten on trains which are reserved exclusively for workmen employed by the companies.

Steel Horizon Brightens as Trade and Industry Revive

(Continued from page 17)

which it is difficult for the Canadian producer to meet. The lower wage scales and living standards among the workers in these countries, in addition to the effect of depreciated currency and the accessibility of raw materials, makes production costs relatively low. Furthermore there is a tendency for the French and German industrialists to co-operate in marketing enterprises, as well as in prices. This presents a competitive problem in connection with which certain steel interests in the United States are somewhat alarmed. The situation has been a matter of somewhat less concern in Canada up to the present, as Canadian concerns have been able to retain their own markets remarkably well.

The steel industry in the United States looks forward to a big year also. There is no indication of any decline in the volume of building and industrial activity in general, and the volume of future orders is still on a large scale. Unfilled orders of the United States Steel Corporation, an accepted index in the industry, for the past two years were:

(Thousand tons)

	1924	1925
January	4,798	5,037
February	4,912	5,284
March	4,782	4,863
April	4,208	4,446
May	3,628	4,049
June	3,262	3,710
July	3,187	3,539
August	3,289	3,512
September	3,473	3,717
October	4,741	4,109
November	4,031	4,581
December	4,816	....

World's Iron and Steel Output

Canada's output of iron and steel is still almost negligible in comparison with that of other countries, pig iron output being about 1,300,000 tons against a world total of 108,000,000. Steel production in Canada is about 1,900,000 tons against the world's output of 117,000,000. According to Iron Age, the output of the various countries is:

	—Capacity to Produce—		—Largest Production Ever Made—			
	Pig Iron	Steel Ingots and Castings	Pig Iron	Year	Steel	Year
United States	49,000,000	56,000,000	40,361,146	1923	45,060,607	1917
Canada	1,300,000	1,900,000	1,107,000	1918	1,695,000	1918
Mexico	300,000	300,000	....		....	
North America	50,600,000	58,200,000				
Great Britain	12,000,000	12,000,000	10,481,917	1913	9,553,715	1917
Germany	15,000,000	17,000,000	*19,309,172	1913	*18,935,089	1913
France	11,000,000	9,750,000	7,656,939	1924	†6,906,502	1924
Belgium	3,500,000	3,500,000	2,781,000	1924	2,780,000	1924
Luxemburg	2,800,000	2,250,000	2,547,861	1913	1,886,084	1924
Holland	100,000	....	....		....	
Northwest Europe	44,400,000	44,500,000				
Russia	3,500,000	3,500,000	a 4,637,300	1913	a 4,769,200	1913
Poland	1,200,000	1,800,000	1,031,123	1913	1,648,533	1913
Roumania	350,000	250,000	....		....	
Austria	600,000	900,000	‡384,000	1924	‡541,000	1924
Hungary	400,000	400,000	‡295,000	1923	‡283,046	1923
Czecho-Slovakia	1,300,000	1,800,000	‡1,050,000	1924	‡1,350,000	1924
Italy	600,000	1,600,000	497,000	1917	1,311,000	1917
Spain	600,000	600,000	497,726	1916	470,241	1917
Sweden	1,000,000	750,000	828,969	1917	614,111	1916
Europe	53,950,000	56,100,000				
Japan	1,200,000	1,500,000	780,000	1919	845,036	1920
China	950,000	400,000	257,648	1920	120,000	1922
India	800,000	350,000	613,627	1923	215,465	1923
Australia	500,000	400,000	416,050	1924	**284,669	1924
South Africa	....	50,000	....		27,064	1923
The World	108,000,000	117,000,000	77,536,000	1913	80,308,000	1917

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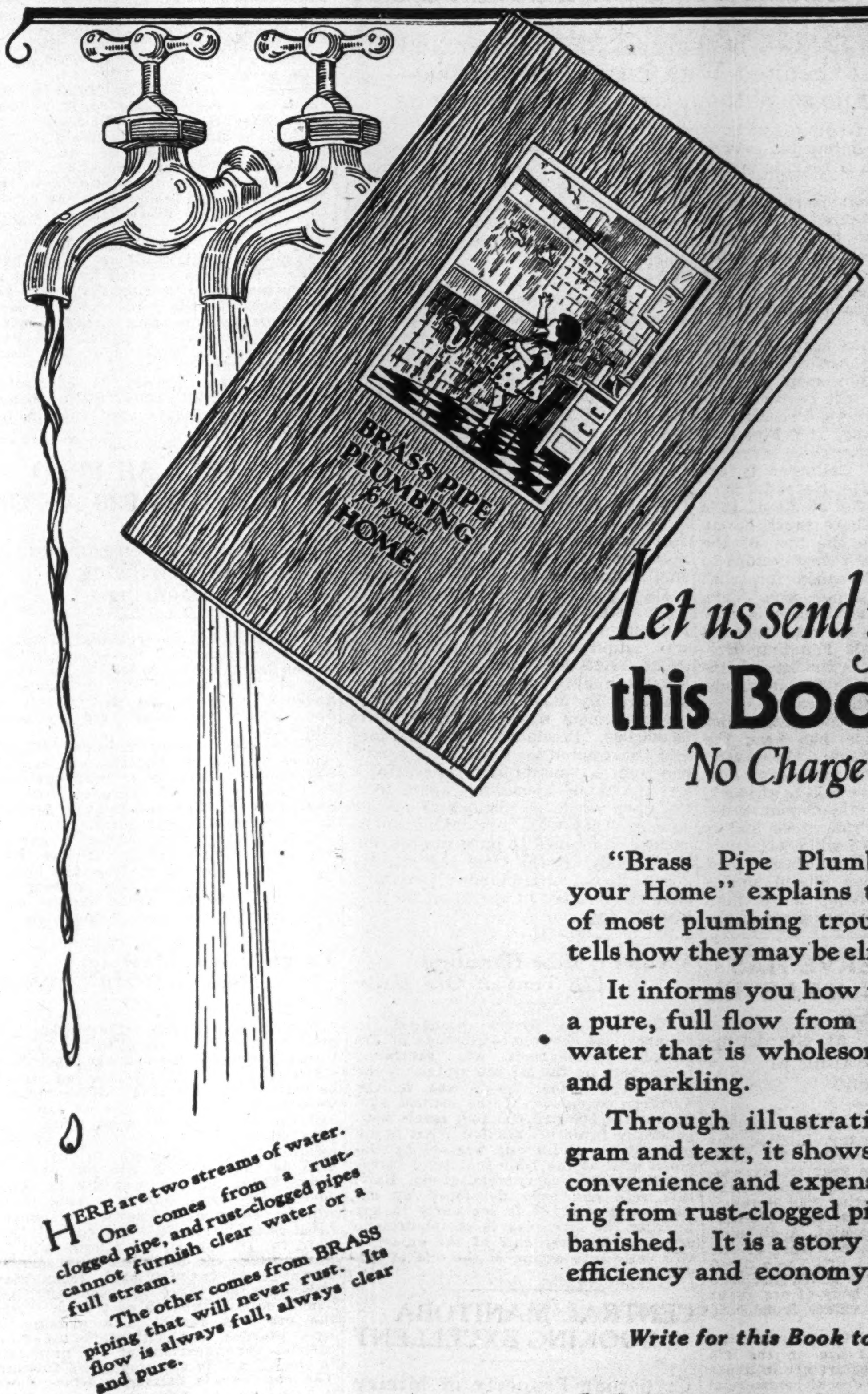
*Includes both Luxemburg and Alsace-Lorraine; 1913 pig iron production of Luxemburg (2,547,861 tons) and of Alsace-Lorraine (3,864,000 tons), deducted from the reported figure, leaves 12,897,311 tons for Germany. Similarly, for steel, deducting the 1,336,263 tons of Luxemburg and 2,286,354 tons of Alsace-Lorraine leaves 15,312,472 tons for Germany.

†Ingots only.

‡Austria-Hungary in 1916 produced 2,380,000 tons of pig iron and 3,278,000 tons of steel.

**One plant only.

(a) Includes production of Poland.


BRASS PIPE PLUMBING for your HOME

HERE are two streams of water. One comes from a rust-clogged pipe, and rust-clogged pipes cannot furnish clear water or a full stream.

The other comes from BRASS piping that will never rust. Its flow is always full, always clear and pure.

Let us send you this Book No Charge

"Brass Pipe Plumbing for your Home" explains the cause of most plumbing troubles and tells how they may be eliminated.

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Through illustration, diagram and text, it shows how inconvenience and expense resulting from rust-clogged pipe can be banished. It is a story of lasting efficiency and economy.

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RESEARCH ASSOCIATION
34 King street east, Toronto

3

Condensed Annual Statement

	1925	Increase over 1924
New Business issued (Ordinary)	$ 71,516,357.00	$ 8,341,152.00
Business in Force (Ordinary)	417,703,158.00	37,061,438.00
Income	19,478,795.16	2,615,549.40
Assets	73,176,969.74	9,255,736.59
Liabilities	70,375,398.04	8,896,123.56
Gross Surplus Earned	3,962,402.35	382,092.58
Provision for Future Profits to Policyholders	7,236,072.00	890,873.00
Unassigned Profits and Contingency Reserve	2,801,571.70	359,613.03

IMPORTANT ITEMS

(1) A large increase in new business production.
(2) Business in force substantially increased.
(3) Interest on policy proceeds, profits, etc., maintained at 6%.
(4) Expense rates have been reduced.
(5) Mortality only 34½% of the expected.
(6) Assets have been increased to over $73,000,000.00.
(7) Income nearly $20,000,000.00.
(8) Surplus earnings nearly $4,000,000.00—the largest in the Company's history.

THE Great-West Life ASSURANCE COMPANY
HEAD OFFICE — WINNIPEG

News of the Mines: *A Department for Executives and Investors*

Conducted by DANIEL E. CUSHING, Mining Editor, The Financial Post.

Will Noranda Control Pass Into Hands of Hollinger?

Pres. Timmins Said to be Largest Shareholder and His Company is Credited With Loaning $3,000,000—Did Not do so Without Having Some String

Will Hollinger interests control Noranda ultimately, if they do not do so already?

Does the fact that Horne Copper shares have not figured in forcasts of Noranda's latest financing mean that Hollinger shareholders are going to have the opportunity of taking them up at the same time as certain rights are extended to Noranda shareholders?

These are questions that are being discussed by mining men while awaiting an official announcement of Noranda's plans. This will be forthcoming almost immediately, President J. Y. Murdoch informed The Financial Post.

The report that Hollinger is advancing $3,000,000 to Noranda at 7 per cent. is pretty well credited. It is also figured that there must be an important string to the bow of the Hollinger people when they decided to take the risk on Noranda for what really amounts to 2 per cent. This, coupled with the fact that it is now conceded by persons close to Noranda that President Noah Timmins, Hollinger Consolidated, is the largest individual shareholder in Noranda, are not without some significance.

New York has been the heavy seller of Noranda. Canada has been the buyer. Ownership is said to be coming back to Canada. For some days now there has been a heavy selling of stock, mostly from New York. Canadian demand has absorbed this stock and is still bidding for more while offerings have fairly well dried up. In the past week there has been 90,000 shares change hands involving more than $1,500,000 while since the first of the year transactions have totalled just under 500,000 shares with a total market value of close to $9,000,000.

This is a tremendous amount of money and indicates clearly that big money is interested in the proposition.

The above are by no means facts. They are gossip, but a lot of it comes from fairly close sources.

Forecasts of Noranda financing include the report that Hollinger is lending $3,000,000 at 7 per cent. and that Noranda shareholders can take up one new share of Noranda at $10 for each 15 held. This latter would give $948,000 and with the Hollinger loan a total of $3,948,000, and would make Noranda's issued capital 1,516,800 shares out of 2,000,000.

This would certainly preclude any further financing for some considerable time to come. The next large sum required would be for a smelter.

During a recent hearing at Quebec when the incorporation of Noranda townsite was up in the legislature it was said that Noranda had already spent $1,200,000, and was spending $50,000 monthly on actual mining operations. By May, 1927, it was stated the investment would be $5,500,000 to $6,000,000. President J. Y. Murdoch told the committee that the company had built a smelter and concentrator and the total expenditure apart from the town would be about four million dollars. They were now taking in the cement and hoped to have the foundations ready by the time the railway got to Rouyn in September next, and have the smelter in operation the following May.

CROWN RESERVE HAS HOPES ON 425 LEVEL

Current Position of the Company Not Strong at Present

The annual report of the Crown-Reserve Mining Company, Limited, for the year ended December 31, 1925, states that during the year steady progress has been made at the Larder Lake property in the exploring and developing of the mine upon the different levels, with varying results. A diamond drilling campaign was also carried out and the last diamond drill hole 1,200 feet east from the main shaft, disclosed at 425 feet in depth a body of ore about 50 feet wide carrying values from $8.60 to 60 cents per ton.

Development work is now proceeding towards this body of ore on the 425 foot level and the directors are in hopes that a large body of ore of commercial value will be disclosed. The report on the Larder Lake operations will be submitted in full at the annual meeting by the mine manager, N. J. Evered, M.E., who took complete charge of the properties on July 1, last.

Mr. Evered's report will show that a large body of ore has been blocked out in No. 1 vein above the 675 foot level estimated at 137,194 tons, assaying at $6.88 per ton, which estimate does not include any ore assaying under $5 per ton. In addition to the above there is a further 100,000 tons assaying between $4 and $5 per ton.

The financial statement shows income during the year amounted to $10,867 and expenses $10,391, leaving balance at credit of profit and loss at $206,834. The balance sheet shows total assets of $3,308,886, of which mining lands at Cobalt and Larder Lake constitute $3,173,123. Current assets are shown at $27,954, while current liabilities consisting of accounts payable and accrued wages total less than $8,000.

Regarding finances the report states that during the year the arrangements for the sale of a large block of treasury stock to a leading financial firm had been carried out, and with the proceeds of the sale development work on the mine was pushed forward. Additional funds were required to continue the work, to meet which treasury shares were disposed of in the open market.

GOLDALE

Goldale is still negotiating for the sale of its group north of McIntyre. This was announced at the annual meeting. No agreement has been reached as yet. Dome is said to have offered $100,000 for the group near their property.

Vipond is Now Handling 175 Tons of Ore Daily

Vipond Consolidated produced in January, $46,000 from 5,245 tons of ore milled. Development was continued throughout on the 5-8 ore system at the 300 and 500 foot levels and in the northern extension of the central system at the 500 and 600 foot levels with generally favorable results. What is apparently the No. 9 vein was cut by diamond drill at the 1,200-foot level carrying material of commercial grade. Until this vein has been developed by excavational work, it is too early to say whether the discovery is of importance or not. The first unit of the enlarged mill came into action at the end of the month.

CENTRAL MANITOBA LOOKING EXCELLENT

Crydeman Property of Mining Corporation Said to be Shaping Well

The reported excellence of the showings which Mining Corporation has opened up on the Crydeman property in Central Manitoba, has awakened new interest in that section.

This is the second fine looking showing in the area, the other being the Central Manitoba property in which John Taylor & Sons, through their Canadian company, Anglo-Canadian Explorers, headed by A. D. Miles, have become interested.

They are meeting with splendid success on the Central Manitoba.

The Mining Corporation has a shaft down 51 feet and sampling carefullly done is said to have revealed values up to $66.

It is understood that plans are under way to open another excellent looking property in the district.

COLUMBUS-KIRKLAND

What is doing on Columbus Kirkland? We hear of interests approaching large individual shareholders and offering them 10 cents a share whereas the purchasing market price is around 8. "Your stock is worth 10c. to us," is the explanation offered when the shareholder has suspiciously pointed out the two cents difference in price. It is said that some kind of a deal has been made in London. The deal savors of more of a market rather than a mining operation.

Crescent Silver Cobalt Mine

One of the Most Interesting Developments in the Cobalt Silver Area

The Crescent Silver Cobalt Mining Company, Ltd., owns 261 acres of the choicest mining ground in Coleman Township. This Township has given to Canada the credit and title to the world's most famous silver camp—COBALT.

LARGE PROFITS

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Some New Highs Are Made Among the Mines

Advances in the mining market have not been so general, but there have been several during the week. McIntyre passed $25, Kirkland Lake Gold reached 1.30, and Beaver 90. Perhaps the most notable was the jump of C. W. Dome to close to 30.

Some stocks, notably Noranda, encountered considerable selling and reacted slightly. The public seems to be slightly hesitant, due, no doubt, to the fact that many stocks are quite high and reactions are not impossible. However, the volume of selling is by no means great and, so long as the condition remains, no break may be looked for.

Tough-Oakes eased back 10 points. The moves in this stock are a little puzzling. The rises and fall have been so sharp that the suspicion that there are influences at work seems justified. Hollinger moved up over the $19 mark. Mining Corp. eased a little. The Post has delayed its analysis of this stock one week.

While some activity is developing among the small issues, the producers and dividend payers are still in the front.

GOLD HILL SHIPPED CAR, GOT $20 A TON

New Company Organized to Allow Full Swing in Financing

Gold Hill has re-organized, forming a new company with the same capitalization as the old, $3,000,000, in which the old shareholders will get an even exchange, though the distribution of their shares is being held up until April 30.

There will remain unissued 933,437 shares of treasury and these with 750,000 vendors shares have been optioned to Chas. Cronyn of Toronto, who is providing the finances for the further development of the property.

Gold Hill recently shipped a car of ore for testing purposes. It was from development and taken from the dump. The return from 33 tons showed an average of $20.45, which checks well with the hand sampling of the mine.

Tough-Oakes Meeting May be Held in Week

During the past week the market has given considerable attention to Tough-Oakes-Burnside. A week ago The Post stated that the annual meeting would be held around the 20th. Other reports were that the meeting was on the 11th and the move of the past week may be discounting the good news of the meeting. The meeting was to have been held on the 11th but was put over 10 days. There may or may not be some spectacular news, but it is said there will be encouraging news. Manager Allan Stuart's report is one to look forward to. Of course, the feature will be the fact that he has found ore east of the dyke or fault; that it looks very promising and that the company has near a mile extending east from where the ore was found. The meeting is long overdue and will mark the first official announcement of the prospects in the change in the company's fortune. The company is driving a winze down a few hundred feet on the ore body west of the fault and it may be that some news will be forthcoming in regard to this.

Keeley is Developing Some New Milling Ore

Keeley Silver Mines produced in January, 122,456 ounces of silver, 16,465 pounds of cobalt.

During the month minor discoveries were made in several localities in the mine, mainly in various parts of the 16-28 vein system. Certain of these discoveries are of no importance—others are more promising, new milling ore being in process of development. The cross-cut from the new eleventh level or 820-ft. level to the 16-28 system is in progress.

NEW QUEBEC ISSUES

Two or three new Quebec offerings are facing the market. Some of them are in interesting positions.

NEW GOWGANDA OPERATION

Philadelphia interests are reported to have taken up the Thompson group next the Ribble in Gowganda.

Adjacent To The Largest Discoveries

Are some of the properties of Don Rouyn Gold Mines. Write for maps and booklet on Rouyn showing this promising company's various properties.

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ARGONAUT FACES BETTER OUTLOOK SAYS ACTIVE HEAD

Well on Way to Become Real Mine—To Use Laval Shares to Meet Bonds

"Argonaut is well on the way to become a real mine," says J. A. Naud, general manager, in a letter to The Financial Post in regard to recent financing. He says they have evidence of the mine's possibility and are fully provided with the means of bringing them to a good end.

The letter was written just at the time the new Argonaut Consolidated shares appeared on the exchange. In a letter to shareholders Mr. Naud says:

"After we have been provided with all the necessary funds to carry our present programme of development to a thousand feet, with two galleries opened to the expected point where we anticipate coming into ore bodies, we shall still have in the treasury upward of 700,000 shares of Argonaut Consolidated.

"While this is going on, the mill is producing regularly, taking care of all ordinary expenses and of a great surplus going into development, thus effecting savings in our treasury to a great extent.

"Total recovery of gold and copper, as paid to us by the Mint and Smelter combined, from March 10th (the date on which we began operating the mill under power from our new transmission line), to December 31, 1925, has been $253,353.42.

"Plenty of ore is in sight to carry on operations, at least at the present rate, for the time being, with the hope of enlarging our production once we have opened new levels. We are now producing at a much lower cost. The problem of gold and copper ore found in certain portions of our property, has been solved, by D. R. Thomas, chief engineer.

"Sinking from 750 to 1,000 feet is more than half way completed. A station has been cut at the 875 foot level and will be opened jointly with the 1,000 foot level, as soon as we reach it, in about five weeks."

Mr. Naud reveals the plans of the company to redeem the outstanding bonds in dealing with Argonaut's Laval-Quebec interest. He said that Argonaut gets 1,400,000 shares of Laval-Quebec, adding: The whole 1,400,000 is deposited with the Montreal Trust Co. in guarantee for Argonaut bonds, of which $459,000 have been sold. As soon as Laval-Quebec is well under way, part of these shares will be sold to redeem all of the outstanding bonds, thus relieving Argonaut shareholders of this burden.

The balance will remain in the treasury for further action, to the best interests of the company and shareholders as well.

OPEN MONTREAL BRANCH

Morgan U. Kemerer & Co., Toronto brokerage house, has opened a branch in Montreal.

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Important developments are taking place at this property.

We have prepared a special report which will be mailed on request. Application will be made to list these shares at an early date. Phone or write without delay.

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Notice Re Exchange of Securities

To the Shareholders
of Asbestos Corporation of Canada, Limited.

Referring to our circular letter of November 20th, 1925, we beg to advise you that at the Special General Meeting of the Preferred and Common Shareholders of the Company held December 18, 1925, By-Law "E" of the Company's By-Laws, authorizing the sale of your Company's undertaking and assets, was unanimously sanctioned and approved and in accordance therewith, your Directors have sold to Asbestos Corporation, Limited (the New Company), the entire undertaking and assets of Asbestos Corporation of Canada, Limited (the Old Company), and have received as part consideration the following fully paid securities of Asbestos Corporation, Limited (the New Company):

$4,000,000 face value 6 per cent. General Mortgage Bonds;
4,100,000 face value 7 per cent. Non-Cumulative Preference Shares of the par value of $100.00 each; and
77,000 no par value Common Shares.

You are now entitled to receive in exchange for your present share holdings in Asbestos Corporation of Canada, Limited (the Old Company), securities of Asbestos Corporation, Limited (the New Company), as follows:

PREFERRED SHARES

For each $100.00 Preferred Share held of the Old Company:
$100.00 face value 6 per cent. General Mortgage Bonds (the New Company).
1/5 share 7 per cent. Non-Cumulative Preference stock (the New Company).
1-1/10 No Par Value Common Shares (the New Company).

COMMON SHARES

For each $100.00 Common Share held of the Old Company:
1-1/10 Shares 7 per cent. Non-Cumulative Preference stock (the New Company).
1-1/10 No Par Value Common Shares (the New Company).

You are hereby requested to sign and forward on or before 15th March, 1926, the enclosed form to the Prudential Trust Company, Limited, 9 St. John Street, Montreal, together with Stock Certificates covering your holdings in Asbestos Corporation of Canada (the Old Company), endorsed in blank, with your signature thereon guaranteed by a bank or a member of a Stock Exchange, for surrender in exchange for the securities of Asbestos Corporation, Limited (the New Company), to which you are entitled.

In order to facilitate the exchange and adjust fractional holdings, arrangements have been made with the Prudential Trust Company, Limited, whereby for the purpose of adjustment it will buy or sell fractional shares at the rate of $75.00 per Preference Share and $25.00 per Common Share of the New Company without any commission or charge therefor, and for this purpose, if entitled to a fractional share, you are requested to fill in the Buying or Selling Orders in the enclosed form, whichever you may desire. Certificates will not be issued for fractional shares of the New Company.

The transfer books of Asbestos Corporation of Canada, Limited (the Old Company), will be kept open until the 15th March, 1926, and in the event of any Shareholders wishing to have the shares of the New Company, to which they are entitled registered in a name other than their own, it will be necessary to effect a transfer before that date of your present holdings on the books of the Old Company before the above exchange can be effected.

Any shareholder whose address has been changed should notify The Royal Trust Company, Montreal, as otherwise the Shareholder's address will be recorded in the books of the New Company in the same manner as it was in the books of the Old Company.

ASBESTOS CORPORATION OF CANADA, LIMITED,
J. T. McCALLUM,
Secretary-Treasurer.

News of the Mines

ATTEMPT TO WIND UP ENGLISH BINGO HAS BEEN BLOCKED

Keep Out of Hands of Canadians is Only Explanation that was Offered

An attempt to bury a company in which £200,000 of British investors' money was involved without consulting the shareholders, is the charge levelled against two English directors of Bingo Gold Mines, who were seeking a compulsory winding up of the company. Shareholders in the interval between the last meeting, 12 months, had heard nothing, though many sensational things had happened.

Jos. Myers, Winnipeg, stepped in and halted the winding up and got the shareholders together. The excuse advanced for the winding up move was to keep the proposition from falling into Canadian hands, but only 2 of the 35 votes to stop the winding up were Canadians. "Canada" a London publication says:

"The affairs of the Bingo Mines are a mystery at present which we cannot attempt to fathom. Further legal proceedings are pending against the managing director, and therefore we cannot discuss that aspect of the matter. Whether the two London directors, who have now retired from the board, were right or wrong in their opinion that the company should be wound up so as to preserve the remaining assets for the preferred shareholders— a matter apparently of 1s. or 1s. 6d. per share—is an open question, but in the interest of straightforward company management and the unquestionable rights of shareholders, 'Canada' took the strongest exception to the autocratic action of directors attempting compulsorily to liquidate a company, the management of which had been entrusted to them by a large body of shareholders, without even consulting those who put them in office. We can recall no similar case in recent years of such an action by directors of a mining company, and we trust that it will be a long time before a similar application is made to the courts.

"What the policy of the new board in regard to the property will be, remains to be seen, but both the shareholders and the public generally are anxious to know what kind of mineral deposit this is at Herb Lake, Manitoba, which, from its appearance, elicited the most hopeful prognostications from geologists and engineers of repute, and yet, when assays of the ore were taken, was reported to be commercially valueless."

Jos. Myers' offer to the London company was to erect a 10-ton mill and prove the mine. Mr. Myers' address to shareholders was an attack on the move of Chairman Sir William Maxwell, for trying to wind up the company. He pointed out that a year ago the chairman had mentioned, as containing at least a germ of hope for the future, that the company had property covering over 300 acres, and veins stretching over 7,000 feet, that operations up to that date had only touched a corner of the property, and only 600 feet of one vein, and that both Mr. Dresser and Mr. Reid had recommended further exploration work. The board recommended the diamond drilling of the property, yet one year afterwards, without any additional reports, and without any further reliable information from any engineer of standing who had visited the property, the chairman now turned a complete right-about-face and tried to force liquidation. Conditions were exactly as they had been a year ago, so why this change of front?

The chairman said in his letter: "During last summer a thorough surface exploration of the whole property has been made; five tons of ore from the dump have also been sent to the smelters. The result in both cases confirms the reports of the engineers and experts that the property has no commercial value." Mr. Myers strongly controverted these statements, and said that a thorough surface examination of the whole property had not been made. Instead of proceeding with the diamond drilling, by which method the value of every foot of the property would have been ascertained, all that had been done was to dig a few pits at odd points on the property, and some of the claims were not even touched. But even this work had never been reported on, all the information in connection with it having come from Mr. Kennedy, the superintendent.

Value of Veins

As to the value of some of the veins exposed by this work, Mr. Myers said he had received advices from men working at the property and others that in some of these pits very rich ore was found, but that when this occurred the excavations were immediately covered up, and it was an open secret that many high-grade samples from Bingo property were sent out by some of the men working there, and he had see some which had free gold showing in great profusion, and yet they were told there was no gold there!

Mr. Myers explained that he held all his original shares and had increased his holdings in the Canadian company.

Gladstone Mt. Dividends Likely to be Increased

Gladstone Mountain dividends will likely be increased or at least a bonus paid to shareholders as surplus is increasing. It will be very interesting to watch development of latest ore body opened up on the surface 1,000 ft. away from present workings. It has every appearance of a large vein and if it proves up will add materially to value of this property.

DOME

Dome January earnings were $348,324. Recovery was from 44,000 tons, or under $8 per ton.

CANADIAN LORRAIN

Cross-cutting from the 250-foot level of Canadian Lorrain towards the top of the raise in the rich ore in D shoot on No. 17 vein is in progress. In numerous other parts of the mine development is proceeding which continues promising, but without outstanding results.

MICHIPOCOTEN COMPANY

Huronian Belt is organizing a $2,000,000 company to operate the Cooper and Minto properties in Michipocoten. These were optioned by Pioneer Syndicate, last fall and considerable money spent before Dr. Bell decided to organize a company. The agreement is to spend $115,000 on the property this year.

Mining Inquiries

Vipond

Amherst Banker.—What is your opinion of Vipond as a purchase?

Vipond stocks, the security of a gold mine in Porcupine district, Northern Ontario, is very well regarded. The company is in good hands; it has been producing around $50,000 a month and is at present doubling its mill. Leading brokerage houses seem to think very well of the prospects of the issue.

Turner Valley Oil Field

Reader, Aberdeen.—Have you any information as to the Turner Valley Field, Alberta? Are there any wells producing any quantity of oil?

If you are a regular reader of The Financial Post you should have noticed in the past several lengthy reviews of the Turner Valley Oil field. We have a substantial story in this issue and you will find all the information you ask there.

Amulet-Noranda

Reader, Saskatchewan.—I shall be glad to have your opinion of Noranda and Amulet.

You ask our opinion in regard to Amulet, Noranda and Nipissing Silver Mines. Of the three Amulet is the much more speculative. It has considerable ore indicated, but nothing like the tremendous tonnage which Noranda has in sight. The latter stock has been selling at a constantly rising market, and is now around $17.

Premier

J. T., Jr.—How much ore have Premier Mine? Is there enough in sight for a fairly safe investment for a few years more?

It is difficult to give an estimate of the ore reserves of Premier Gold Mines. However, the operation looks to have a long life. Last week we referred to the proposition at some length. An expansion program which has just been carried out indicates that the heads of the company are optimistic as to its future. We enclose clipping.

Duprat Mines

W. A. J., Quebec.—I have been holding Dunlop Tire for some time, bought at higher figures. I was thinking of purchasing more to make an average. What is your opinion?

Duprat Mines of North-western Quebec has very well located holdings which seem to have the same geological ear-marks as some of the other gold and copper properties of that section which are showing up so very strong. The proposition is being financed by Plant and Hampton, brokers of Ottawa. Reports which they have sent out recently of assays taken from the surface and tested works show a very high copper content. It is a prospect.

C. W. Dome

Banker, Saskatchewan.—Would you let me have a report on Consolidated West Dome, and how you view its future? Are its possibilities as bright as Vipond? A client is desirous of buying 1,000 shares.

Consolidated West Dome Mine is a prospect with a good chance of working out. The company is mining some good ore, sufficient to pay expenses and finance the exploratory program being carried out. We would not say its possibilities are as bright as Vipond, but it has good possibilities as a gamble. If their exploratory program proves to be what they expect, it should result in a good mine. To buy a thousand shares your client would have to spend about $225. He should size it up from the standpoint of whether or not he can afford to lose $225. The proposition should work out in the next three or four months.

Cochran Hill

W. C. M., Boston.—Will you send me some information regarding Cochrane Hill Mine, Nova Scotia? Anything that will be of assistance to help me in aiding a friend to finance his property.

The reason you give for your enquiry regarding the Cochran Hill Mining Company of Nova Scotia leads us to suggest that you would be much better advised to get a report of a reliable mining engineer. Our information is, for the most part, taken from reports prepared by company engineers and checked in a measure with statements from the Nova Scotia Department of Mines and School of Mines. We understand that the Cochran Hill Company have a fair looking property, with considerable work already done on it, and when they get their power question solved should be able to go ahead and test out its possibilities to the full.

Chaput Hughes

Reader, Trinidad.—In view of the discoveries made on Kirkland Lake Mine, will you kindly give your views as to the present prospects for Chaput-Hughes? Would you consider the shares a fair speculation at present prices?

The outlook for Chaput Hughes is speculative. The majority of holders bought these shares at a very low price, and with the development from the Kirkland Lake Gold to the North, it looks as if the stock might work out to net shareholders a fairly good profit. The future of the property depends on whether Kirkland Gold ore bodies dip over the line. However, to buy the shares on the present market, 19 cents, is perhaps a little different thing. We would regard the proposition as a little bit too much of a gamble. Especially would this be true in light of the fact that there are so many much better propositions being offered on the market. This would apply more strongly to your case, you being so far removed from the market, than to others who are in closer touch. You would be much better advised to buy some of the better stocks which promise to give shareholders a very excellent thing over a period of a few years.

OLD SECTIONS OF COBALT AROUSING MUCH NEW INTEREST

Kerr Lake Section Comes Back and Other Parts Are Active

Cobalt and district is staging quite a comeback. The new interests in the Kerr Lake section of the old Cobalt camp have caused quite a stir. Lucky Tiger Corporation, Kansas, owners of the El Tigue mine of Mexico through Cobalt Argyros has met with success already, getting high grade on the Hargreaves.

In addition to this, Kerr Lake is working again, Crown Reserve and other properties have been taken up by interests associated with Dr. R. Harvie, Ottawa and other deals are pending.

In South East Coleman, Oxford Cobalt is working and there are reports that the property which Mining Corporation worked on in the limit, may resume. Crescent Silver in Coleman Tp. is reported to have made financing arrangements which should result in the property being reopened soon. It should not take long to get under production.

Nipissing and Canadian Lorrain have focused attention on Lorrain again, and it is expected that other big interests will soon be active in the camp. The Trout Lake Section is looking interesting and it may be that some effort will be put forth this year to operate that property.

The Cobalt Argyros success so early, has pleased Cobalt. The company purchased the two Merger claims and leased the two Hargreave lots from Kerr Lake on favorable terms. They also leased the Kerr Lake No. 3 shaft. This was dewatered and last week active development started. It was proposed to develop the extension of the No. 3 vein of Kerr Lake which produced 3,500,000 ounces. This work would carry south into a section where strong cross veins occur on ground owned by the company. The first round brought to light a vein 2 to 2½ inches wide carrying silver 1,000 to 5,000 ounces and the ore continued on the second round.

Another Gowganda Concern Is Meeting With Success

Millcrest has been listed and it is understood will be called for trading on the 25th. The company has two properties in the main producing section of Gowganda, one close to the Walsh of Tonopah and the other north of the Capitol's large holding. Operations are being conducted on the northern group and a shaft which is down 40-ft. is on a 12 inch vein of cobalt and bloom with splashes of silver. Another vein was cut in the shaft and showed six inches in width. The interest in the south group is said to be that Tonopah is working up close to the boundary in high grade.

MINING STOCK QUOTATIONS
Week Ending February 9

	High for week	Low for week	Close Feb. 9	Close Feb. 2	Sales for week
Argo Cons.	46	40½	44	42	104075
Apex	4¼	3	4¼	3	48500
Amulet	1.50	1.25	1.28	1.29	150900
Area	39	36½	38¾	39	13050
Argonaut	23½	20	22½	21	101900
Atlas	2⅝	2	2⅝	1¾	58000
Baldwin	4½	2⅝	3	2⅝	233300
Barry Holl.	47½	35	42	34¼	627800
Beaver	89	80½	88	82½	152650
Bidgood	8½	7½	8	8½	54000
Bo'lamaque	7.95	7.75	7.95	7.75	9475
Buckingham	4½	2¾	4¾	2⅝	13500
Chaput H.	17½	15	16	17	55700
Can. Lorrain	86	84½	85½	84½	29517
Capitol	44	41	41¾	43	198400
Castle Tre.	1.68	1.62	1.66	1.64	70700
Clifton	3¼	2¾	3½	3	13000
Coniagas	4.00	4.00	4.00	4.00	3755
Coniar'm	4.21	4.05	4.21	4.20	1500
Col. Kirkland	8¾	5½	8	5½	434600
Cons. Smelters	223	216	220⅛	219⅛	21818
Cons. W. Dome	29¾	22⅝	27½	22¾	460250
Crown Res.	24⅛	18½	22	18½	256750
Gold Hill	39	35	39	..	44350
Dome Mines	18.60	17.40	18.30	17.50	19567
Everett	8½	7⅞	8½	8¼	61000
Goldale	40½	37⅞	40	38¼	99800
Gold Reef	2	1⅞	2	2	22000
Hollinger	19.10	18.90	19.00	18.90	5865
Hunton	14¾	12¼	14¾	12½	196750
Indian	7	5¼	5½	6	20900
Laval	39	36	36½	37	102650
Int. Nickel, com	45⅞	43	43½	45	2545
Keeley	1.81	1.77	1.77	1.76	25108
Keora	13	9½	12	13	151700
Kirk. Lake	1.25	1.15	1.25	1.20	185925
Lakeside	8	4½	7	4¼	104000
Lake Shore	12.85	12.10	12.25	12.65	15620
La Rose	34	31	32	32	10500
Lorrain	10½	9	10	10	33500
Lorrain T.L.	1.10	1.10	1.10	1.00	30
McKinley	24	23	24	24	40000
McIntyre	24.65	23.50	24.60	23.53	20805
Mining Corp.	4.00	3.80	3.90	3.77	82626
Moneta	17	16	16	17½	4000
Newray	42	40½	42	42	20700
Nipissing	7.09	6.75	6.75	7.00	5197
Night Hawk	11	10	11	11	98000
Ophir	3⅝	3½	3½	3¾	2500
Pete Lake	3¼	3⅛	3⅛	3	10000
Porc. Crown	6	4½	6	5¼	10000
Premier Gold	2.25	2.21	2.25	2.24	14425
Preston	9½	8¾	8¾	9	67700
Teck Hughes	3.73	3.56	3.60	3.58	131677
Vickers	52	15	52	15	53625
Timiskaming	15¼	15¼	15¼	14	500
Tough Oakes	65½	49	56½	49	240350
Vic. Silver	7½	6¾	[illegible]	7½	8600
Vipond Cons.	1.98	1.93	1.93	1.95	82687
Wasapika	2	1¼	2	[illegible]	2500
West Tree	3	2½	3	2½	4000
Wettlaufer	5	4½	[illegible]	5	2800
Wright Har.	9.60	9.10	9.30	9.15	22590
Noranda	18.44	16.05	17.40	16.00	89880

B.C. Mine Owner Chosen as the Next Lieut.-Gov.

INVERMERE, B. C. — Hon. Robert Randolph Bruce, who has just received the appointment of Lieutenant-Governor for the Province of British Columbia, has his home here, having resided in the Windermere mining division as a mining man since 1899. He is the sole owner of the Paradise mine, situated to the west of here. This mine is one of the large regular shippers of the East Kootenay. Mr. Bruce is looked upon as one of the largest individual owners of a working mine in the interior of the province. His other interests are very varied.

JOINS THE STANDARD

I. W. Solloway, of Solloway, Mills & Co., brokers, has been elected a member of Standard Mining Exchange. Mr. Solloway is an oldtimer in Northern Ontario and with his partner Mills has extensive interests throughout the mining country.

WRITES MAIL MINING

Jas. A. McRae, well known throughout the northern gold camps as mining correspondent, has joined the staff of Toronto Mail and Empire and is handling their mining news.

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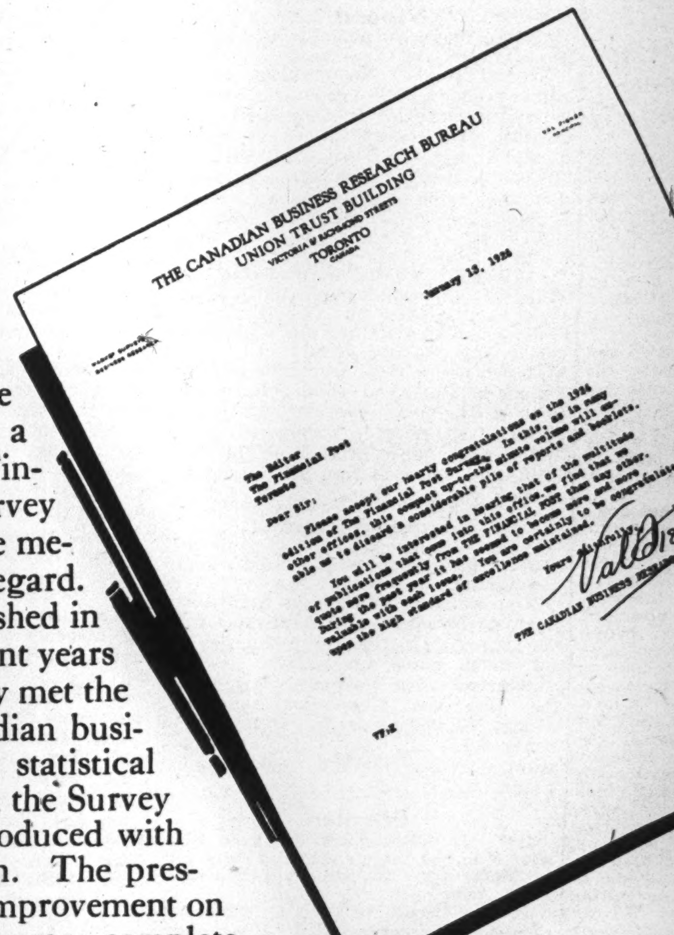

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January 15, 1926

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